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LEGISLATIVE HISTORY

Public Law 301--79th Congress

Chapter 30--2d Session

H. R. 5158

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DIGEST OF PUBLIC LAW 301

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946. Includes the following rescissions: WFA salaries and expenses, \$3,116,894; emergency supplies for territories and possessions, \$25,000,000; emergency rubber project, \$1,649,790, with provision that the balance shall be used to liquidate the project, including elimination of remaining plantations, rehabilitation and return of leased lands and disposal of property, and continuation of research until June 30, 1946, provided that balances shall be available until Dec. 31, 1946, to complete liquidation of the project; emergency fund for the President, \$45,000,000; lend-lease, including \$1,351,216,000 for agricultural and other commodities with provision that the \$500,000,000 price support fund shall be paid to CCC and continued as a reserve fund, and \$600,000,000 in contract authorizations; FEA, \$3,884,400; OMT, \$3,075,000; Office of Economic Stabilization, \$53,780; Office of Scientific Research and Development, \$56,101,792; Civil Service Commission, \$2,032,000; Public Buildings Administration, \$750,000; war housing, \$74,355,000. Provides for transfer of funds to agencies liquidating emergency agencies. Provides that crop and livestock estimates (BAE), OFAR, meat inspection (BAE), fruit vegetable specialty crops (BPISAE), foreign plant quarantine (BE&PQ), national forest protection and management (FS), and forest fire cooperation (FS) appropriations shall be so administered as to avoid deficiencies except for Pay Act expenses which cannot be absorbed.



INDEX AND SUMMARY OF HISTORY ON H. R. 4407

September 5, 1945	Hearings: House, H. R. 4407, Pts. 1 and 2.
October 17, 1945	House Appropriations Committee reported H. R. 4407. House Report 1125. Committee prints of the bill and report. Print of the bill as reported. House Rules Committee reported House Resolution 375 for the consideration of H. R. 4407. H. Rept. 1131.
October 18, 1945	House agreed to House Resolution 375.
October 19, 1945	H. R. 4407 debated in House and passed with amendments.
October 22, 1945	H. R. 4407 referred to the Senate Committee on Appropriations. Print of the bill as referred.
October 24, 1945	Hearings: Senate, H. R. 4407.
October 26, 1945	Amendment to H. R. 4407 proposed by Senator Butler.
November 14, 1945	Senate Committee on Appropriations reported H. R. 4407 with amendments. Senate Report 719. Committee prints of the bill and report. Print of the bill as reported.
November 15, 1945	Amendment to H. R. 4407 proposed by Senator Overton.
November 19, 1945	H. R. 4407 made order of business for Nov. 21, 1945. Amendment to H. R. 4407 proposed by Senator Walsh.
November 20, 1945	H. R. 4407 debated in Senate and passed with amendments.  Print of the bill with the amendments of the Senate numbered.  Senate appointed Conferees.
November 23, 1945	House appointed Conferees.
November 30, 1945	House received Conference Report. House Report 1327.
December 3, 1945	House and Senate agreed to Conference Report and House acted on items in disagreement. Senate Conferees appointed for second Conference.
December 10, 1945	House Conferees appointed for second Conference. Both Houses received 2d Conference Report. House Report 1354.
December 11, 1945	Both Houses agreed to Conference Report.
December 22, 1945	Pocket veto. Memorandum of Disapproval by The President.



## INDEX AND SUMMARY OF HISTORY ON H. R. 5158

January 17, 1946	H. R. 5158 introduced by Rep. Cannon and referred to the House Committee on Appropriations. Print of the bill as introduced.
January 29, 1946	House Committee reported H. R. 5158 without amendment. House Report 1500. Print of the bill as reported.
January 30, 1946	Debated in House and passed without amendment.
January 31, 1946	H. R. 5158 referred to Senate Committee on Appropriations.
February 4, 1946	Senate Committee reported H. R. 5158 with amendment. Senate Report 919. Print of the bill as reported.
February 8, 1946	Discussed and passed Senate as reported.
February 12, 1946	House agreed to Senate amendment.
February 19, 1946	Approved. Public Law 301.

See also Legislative History on H. R. 4407 (pocket vetoed)

Hearings, House and Senate held on H. R. 4407.











DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued October 18, 1945, for actions of Wednesday, October 17, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House committee reported surplus appropriations rescission bill.

HOUSE

1. FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946. The Appropriations Committee reported this bill (H. R. 4407) (H. Rept. 1125) (pp. 9913-4). Rules Committee reported a resolution for consideration of this bill (pp. 9911, 9914).  
Provisions of bill:

Provides for payment to CCC of the \$500,000,000 made available for price supports by the Second Deficiency Appropriation Act, 1945; provides for continuation of that sum as a reserve fund for price supports (the President had recommended that this amount be made a part of CCC capital funds.)

Rescinds the indicated portions of the following items:

Lend-lease (for agricultural and other commodities and articles),  
\$1,351,216,000 in appropriations. Also, for lend-lease, \$600,000,000 in contract authorizations. (Same as President's recommendation.)

Emergency supplies for territories and possessions, \$25,000,000 (President recommended \$15,000,000).

WFA salaries and expenses, \$3,116,894 (same as President's recommendation).

Emergency rubber project, \$1,649,790 (President recommended \$961,790); provides that the balance shall be used only for liquidation and for certain research on guayule until June 30, 1946.

Emergency fund for the President, \$45,000,000 (same as President's recommendation).

Requires the following appropriations to be so administered as to avoid deficiencies, except for expenses resulting from the Pay Act of 1945: BAE, crop and livestock estimates; OFAR; ARA, meat inspection, BPISAE (fruit, vegetable, and specialty crops), (B&P) foreign plant quarantine; Forest Service, p&m and forest-fire cooperation.

Also provides for rescissions relating to FEA, ODT, Inter-American Affairs, QSRD, OWI, WFB, CSC, PBA, Office of Fishery Coordination, etc.

Continues until June 30, 1946, the Budget Bureau's national-defense appropriation.

Provides that, to accomplish liquidation of a war agency, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Budget Bureau shall determine.

Excerpts from committee report:

Rescissions in general. "The committee entertains the view that larger rescissions are practicable. The difficulty now is that firm figures as to obligations, revocable or irrevocable, are not available so early in the fiscal year. In addition, there are a number of imponderables... the accompanying measure may be viewed as the forerunner of a succession of rescissory measures. The committee wishes to acknowledge the very excellent work the Bureau of the Budget has done in the performance of its part of the task in bringing about the rescissions embraced by the accompanying bill. The Bureau has collaborated with the committee in fine spirit and to the fullest extent and has rendered to the Congress a very great service... The question of continuing transferred activities after the close of the current fiscal year will be carefully canvassed when the budgets for the ensuing fiscal year are under consideration... the committee met with a number of instances where, though a particular appropriation had been advocated and provided because of war conditions, there was no disposition to dispense with or curtail the appropriation. That is understandable in some cases where nonwar functions expanded during the war period, but in the face of the compelling need for retrenchment, activities which came into being solely because of the war should be required to terminate. It will require a firm and determined attitude to effect readjustments to peacetime necessities. The committee solicits the help of the House in the discharge of that responsibility. It will be a continuing task for many months ahead, and will fall largely, in the future, upon the various subcommittees of the committee having jurisdiction of the regular annual supply bills."

Emergency fund for the President. "The committee feels that there should be available to the Chief Executive a reasonable amount for meeting emergency situations consequent upon the war. As previously indicated, the appropriations will cease to be available after next June 30. There is no reason to anticipate that the fund will be employed in directions not having a distinct war relationship or which would create commitments for projects for which appropriations later would need to be provided."

Emergency supplies for territories and possessions. "The activity should be completely liquidated by or shortly after the end of this calendar year."

Emergency rubber project. "The committee has increased the rescission... by \$688,000. This amount is the estimated cost of harvesting and milling the shrub before closing down which would yield rubber worth \$168,000. Some of the \$688,000 already has been expended, but the committee is satisfied that the unrescinded availability will finance all appropriate liquidation costs if expended with proper care and a due regard for economy."

Central statistical agency. "The committee's inquiry into so many phases of Government brought to the fore the multiplicity of agencies which engage in the gathering, compilation, and publication of statistics of one kind or another. The committee's information is that 65 separate agencies engage



such work. Duplication is bound to result and there must be much unnecessary overhead. True, a coordinating agency heads up in the Bureau of the Budget, but the committee feels that the Bureau of the Budget should make or have made a study of the matter and take appropriate measures toward the establishment of a single statistical agency."

APPROPRIATIONS. Received from the President supplemental appropriation estimates as follows: Treasury Department, \$1,222,000 (H.Doc. 324); Federal Works Agency, \$1,878,420 (H.Doc. 325); Civil Service Commission, \$534,826 (H.Doc. 327); GAO, \$3,559,000 (H.Doc. 328); Commerce Department, \$3,998,000 (H.Doc. 329); War Department, flood control, \$128,475,000 (H.Doc. 330); and Interior Department, \$93,367,000 (H.Doc. 331). To Appropriations Committee. (p. 9913.)

BANKRUPTCY. Rules Committee reported a resolution for consideration of H.R. 4160, to amend the Bankruptcy Act so as to set a system of full-time salaried referees to replace the present system of essentially part-time referees compensated on a fee basis (pp. 9910-1, 9914).

FEDERAL-AID AIRPORT BILL. Continued debate on this bill, H.R. 3615 (pp. 9885-910).

BUILDINGS AND GROUNDS. D.C. Committee reported without amendment H.J.Res. 236, to continue the tax-exempt status of certain D.C. property when used by U.S. agencies (H.Rept. 1126) (p. 9914).

PARKING FACILITIES. D.C. Committee reported without amendment H.R. 4283, to require parking facilities for persons employed in Federal buildings in D.C. (H.Rept. 1127) (p. 9914).

#### SENATE

IN SESSION. Next meeting Thurs., Oct. 18.

#### BILL INTRODUCED

SURPLUS PROPERTY. H.Con.Res. 97, to extend the time for consideration of the Surplus Property Board report on the disposition of Government-owned aluminum plants and facilities. To Expenditures in the Executive Departments Committee. (p. 9914.)

#### ITEMS IN APPENDIX

FARM LANDS. Rep. Hays, Ark., inserted a statement of a group of rural-life students, "Man's Relation to the Land," containing suggestions for practical application of land-policy principles (pp. A4705-6).

FULL EMPLOYMENT. Rep. Voorhis, Calif., inserted David Lawrence's editorial favoring the full-employment bill (pp. A4702-3).

OLEOMARGARINE. Extension of remarks of Rep. Murray, Wis., including his correspondence with Surgeon General Parran, on the absence of vitamin A content of oleomargarine (pp. A4699-700).

UNEMPLOYMENT. Extension of remarks of Rep. Robertson, N. Dak., including a N. Dak. economic development committee report, indicating no unemployment problem in N. Dak. (pp. A4698-9).

FOREIGN RELIEF. Extension of remarks of Rep. Carnahan, Mo., commending UNRRA's

work and including a Jefferson County, Mo., citizens' petition and a St. Louis Post-Dispatch editorial on the subject (pp. A4695-6).

13. COTTON; FOREIGN TRADE. Extension of remarks of Rep. Murray, Wis., criticizing the export bounty and import limitation on cottons and including Oscar B. Ryder (Tariff Commission) letter and statistics on the subject (p. A4690).
14. CONGRESSIONAL REORGANIZATION. Extension of remarks of Rep. Voorhis, Calif., including St. Louis Post-Dispatch editorials, favoring reorganization of Congress (pp. A4691-2).  
Rep. Voorhis (Calif.)  
Rep. Monroney, Okla., inserted / Tomorrow article favoring the reorganization of Congress for better handling of such problems as increase in food supply, full employment, agricultural policies to preserve family-sized farms, assurance of fair farm incomes, and conservation and restoration of natural resources (pp. A4703-4).

COMMITTEE HEARINGS Released by G.P.O.

15. AID TO PHYSICALLY HANDICAPPED. Pursuant to H. Res. 45, Pts. 12, 13, and 14. House Labor Committee.
16. RESEARCH. Science Legislation, pursuant to S. Res. 146. Senate Military Affairs Committee.
17. EXECUTIVE AGENCIES; INVESTIGATIONS. Pursuant to H. Res. 88, Pt. 3. Pricing of fresh fruits and vegetables for market, and for processing. House Special Committee to Investigate the Executive Agencies.
18. U. S. COURTS. S. 466, to limit the jurisdiction of U. S. District Courts. Senate Judiciary Committee.

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COMMITTEE HEARINGS ANNOUNCEMENTS for Oct. 18: S. Military Affairs and Commerce, science program; S. Education and Labor, minimum wage bill; S. Finance, tax bill, (ex.); S. Irrigation and Reclamation, MVA bill (ex.); H. Agriculture, marketing subcommittee on poultry; H. Expenditures in the Executive Departments, full-employment bill; H. Foreign Relations, international interchange of persons, knowledge, and skills; H. Interstate, freight-rate agreements among carriers; H. Interstate, REA planning; H. Labor, minimum wage bills; H. Public Buildings and Grounds, public-building construction; H. Ways and Means, production of sugars and sirups in U.S.-owned alcohol plants (ex.).

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For supplemental information and copies of legislative material referred to call Ext. 4654, or send to Room 112 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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**NOTICE**—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

79TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
1st Session } No. 425

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION BILL, 1946

OCTOBER 17, 1945.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations,  
submitted the following

R E P O R T

[To accompany H. R. 4407]

The Committee on Appropriations, to whom was referred the bill (H. R. —) entitled "A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes," report the measure with a favorable recommendation for its early consideration and passage by the House.

The bill would do these things:

- |  |                          |
|--|--------------------------|
| (1) Rescind currently available appropriations to the extent of.....   | \$48, 264, 441, 439      |
| (2) Cancel currently available contractual authorizations, which, if availed of, would make necessary appropriations to the extent of..... | 4, 187, 903, 339         |
| (3) Recover corporate funds to the extent of.....  | <sup>1</sup> 1, 190, 500 |

Total of cash and potential liability..... 52, 453, 535, 278

<sup>1</sup> Corporations created by the Coordinator of Inter-American Affairs.

In addition, the bill (1) reduces previously established limitations upon expenditures for administrative purposes of a number of agencies to the extent of \$9,318,307, and (2) exempts from rescission amounts aggregating \$82,286,253, which otherwise it would be necessary later to appropriate on account of terminal leave, the Federal Employees Pay Act of 1945, and base-pay raises in consequence of the so-called Ramspeck Act.

There have been included in the bill the provisions of H. R. 4103, pending on the calendar, which provides for the rescission of appropriations to the extent of \$7,982,000. Comment upon such measure appears later herein.

There follows a recapitulation of rescissions thus far effected and of those proposed in the instant measure:

Public Law 68, approved May 29, 1945: Cash and contractual authorization, U. S. Maritime Commission .....	\$4, 265, 000, 000
Public Law 127, approved July 3, 1945, applying to various appropriations .....	92, 119, 000
Accompanying measure .....	52, 453, 535, 278
Total .....	56, 810, 654, 278

The amount above relating to the accompanying bill applies to a total availability on July 1, 1945, of appropriations and contractual authorizations of \$146,467,211,277. Subsequent accretions from reimbursements and cancellations would raise the figure roundly to \$170,000,000,000. However, at the time the committee commenced its hearings (September 5, 1945), commitments had been incurred exceeding eighty-two billions. Of the remaining amount, therefore, the rescission is approximately 64 percent.

Details are contained in the table commencing on page 24 hereof. As to each item affected by the bill, except prior year funds, the table shows—

- (1) Appropriation or contractual authorization availability, July 1, 1945.
- (2) Rescissions formally recommended.
- (3) Rescissions in consequence of supplemental recommendations, by memorandum or otherwise.
- (4) Additional rescissions proposed by the committee.
- (5) Total rescissions proposed in bill.
- (6) Availability for whole fiscal year period after deducting rescissions proposed.

The following is a summation of such table, by titles:

	Appropriation or contractual authorization availability, July 1, 1945	Total of rescissions proposed	Balance available for whole of fiscal year
<b>Title I—Various executive agencies:</b>			
Cash .....	\$15, 344, 474, 093	\$2, 956, 629, 045	\$12, 387, 845, 048
Contractual authorization .....	1, 283, 691, 210	930, 461, 208	353, 230, 002
Total .....	16, 628, 165, 303	3, 887, 090, 253	12, 741, 075, 050
<b>Title II—Military Establishment .....</b>	54, 787, 783, 930	30, 903, 090, 564	23, 884, 693, 366
<b>Title III—Naval Establishment:</b>			
Cash .....	71, 346, 581, 814	14, 404, 721, 830	56, 941, 859, 984
Contractual authorization .....	3, 704, 680, 230	3, 257, 442, 131	447, 238, 099
Total .....	75, 051, 262, 044	17, 662, 163, 961	57, 389, 098, 083
Grand total .....	146, 467, 211, 277	53, 453, 535, 278	94, 014, 866, 499

<sup>1</sup> Excludes obligations incurred subsequent to July 1, and estimated accretions during year.

<sup>2</sup> Excludes \$1,190,500 of corporate funds included in earlier totals.



The table, of which a summation is given above, should suffice as a report as to the great bulk of the items affected by the bill. The idea of recovering obligational availability previously voted for or incident to the prosecution of the war should have a generally strong appeal. If there be any question at all, it would seem that it would be "why not larger rescissions?"

The committee entertains the view that larger rescissions are practicable. The difficulty now is that firm figures as to obligations, revocable or irrevocable, are not available so early in the fiscal year. In addition, there are a number of imponderables involving the armed services which must await international commitments, and there remain to be worked out definite measures respecting certain war agencies which no longer exist or ultimately will disappear as such, e. g., Foreign Economic Administration, War Manpower Commission, Office of Strategic Services, and Office of Inter-American Affairs. These are matters which may be expected progressively to straighten out, and not so very far hence, when supporting funds will be subjected to further scrutiny. In fact, in consequence of provisions included in the Military Appropriation Act, 1946, and in the Second Deficiency Appropriation Act, 1945, requiring the submission of repeal recommendations on January 3, 1946, in addition to those required by earlier law to be submitted from time to time, there will be before the several subcommittees of the Committee on Appropriations for consideration and recommendation in connection with the budgets of the several departments and agencies for the fiscal year 1947 all of the then available appropriations and funds for the fiscal year 1946. Hence, the accompanying measure may be viewed as the forerunner of a succession of rescissory measures.

The committee wishes to acknowledge the very excellent work the Bureau of the Budget has done in the performance of its part of the task in bringing about the rescissions embraced by the accompanying bill. The Bureau has collaborated with the committee in fine spirit and to the fullest extent and has rendered to the Congress a very great service.

Hearings on the accompanying measure commenced on September 5 and continued daily for more than 4 weeks. There are 1,785 pages of printed testimony, much of which should be a valuable reference for those who may be interested in wartime activities and in procedures following the termination of hostilities. The statement of the head of the Army Service Forces, Gen. Breton Somervell, is a masterful account of the activities which he administered.

## TITLE I—THE EXECUTIVE AND VARIOUS EXECUTIVE AGENCIES

Rescission proposed..... \$3, 887, 030, 253

This title embraces the Executive Office of the President, various war agencies, independent offices, and all of the executive departments except War and Navy. The committee reviewed 132 appropriation items under this title, as to a goodly number of which no rescission was or is proposed. All items reviewed are contained in H. Doc. 280.

As to the items to which the bill applies (listed in the table commencing on p. 26 hereof), cash and contractual availability on July 1, 1945, aggregated \$16,583,975,930. Generally, as of August 11,

1945, expenditures and obligations had reached roundly 8¼ billions. The total of the rescissions proposed in the bill is \$3,887,090,253, leaving a balance of approximately 4 billions.

Much of such balance will be used in winding up the affairs of a number of noted agencies, which performed during the war very important functions and in a most commendable way. Among others are the Office of War Information, Office of Defense Transportation, Office of Scientific Research and Development, War Production Board, Office of Censorship, Office of Strategic Services, Petroleum Administration for War, Foreign Economic Administration, and the War Manpower Commission. Some of these will terminate, at least for the present, as to name only. As has been publicly announced, functions, or parts of them, of certain agencies have been or will be assumed by other permanent Federal agencies. The question of continuing transferred activities after the close of the current fiscal year will be carefully canvassed when the budgets for the ensuing fiscal year are under consideration.

#### H. R. 4103

As previously indicated herein, there has been included in this title the provisions of H. R. 4103. Such bill was reported to the House on September 18, 1945 (H. Rept. 960), and has not been considered for want of a rule. It was presented ahead of the accompanying measure because it deals with a number of agencies or functions which have an uncertain tenure, which makes efficient procedure practically impossible. Such bill and the accompanying bill provide for the continuance of such agencies or functions until the end of June 1946, though curtailed as to amount to the extent of \$7,982,000. The continuing provision in H. R. 4103 provides that—

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this act, *any provision or other law or order to the contrary notwithstanding* \* \* \*.

The italicized matter does not appear in the accompanying measure. (See bill p. 16, lines 10 to 12.)

The following is reprinted from the report on H. R. 4103:

“The committee has met with a number of situations which call for immediate action by the Congress for the guidance of the agencies concerned. The President’s submission (H. Doc. 280) recommends continued availability to the end of the present fiscal year of the following six appropriations:

#### Appropriation:

1. National defense activities, Bureau of the Budget-----	\$445, 300
2. Salaries and expenses, Civil Service Commission (national defense)-----	6, 032, 000
3. Salaries and expenses, Federal Communications Commission (national defense)-----	2, 430, 000
4. Salaries and expenses, Office of Community War Services, Federal Security Agency-----	450, 000
5. Expenses, temporary aid to enemy aliens and other restricted persons, Office of Administrator, Federal Security Agency--	(1)
6. Salaries and expenses, Division of Geography, Department of the Interior-----	25, 000

<sup>1</sup> Continued availability of 1945 funds, plus allocations from War Relocation Authority. Expenditures estimated to total \$2,127,013.53.

"The first three of the foregoing appropriations have attached to them a provision reading as follows: 'Provided, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.' The fourth and fifth items run for 6 months after the termination of the war.

"The sixth item runs during the emergency declared by the President on May 27, 1941, and for a period not exceeding 30 days thereafter.

"Because of the uncertainty as to when the period of availability of the appropriations might be terminated, it is necessary for the agencies concerned, if availability is to be continued through next June 30, in accordance with the President's recommendation, to have prompt indication of that fact in order that they may be able appropriately and efficiently to program their work.

"The committee has had representatives of the several agencies affected before it and from its investigation believes that there is justification for the continuance of the availability of the several appropriations named, and so provides in the accompanying measure, but, in some cases, in reduced amounts, as hereinafter indicated. The reductions recommended total \$7,982,000. As to such appropriations, it is the sense of the committee that the functions embraced thereby should be terminated during the present fiscal year, and, in some cases earlier than the close of the fiscal year, and that the amounts therefor for the remainder of the fiscal year should be so administered as to assure the absorption of all costs, including those incident to liquidation. There should be no anticipation that the Congress later might otherwise provide, because all of the items involved have been provided for heretofore as war projects.

"The items and the committee's action with respect thereto follow:

"*Bureau of the Budget.*—The amount (\$445,300) is left intact. This Bureau will have a very heavy responsibility in connection with reordering the Federal economy and in aiding the Congress in the recapture of surplus appropriations and determining their appropriate peacetime levels.

"*Civil Service Commission.*—A reduction of \$2,032,000 is recommended in the national defense appropriation of this agency. Its regular appropriation for the current fiscal year is \$8,673,882. The rescission proposed would leave a total available of \$12,673,882. Postwar adjustments will continue to impose an added burden upon the Commission, but there are certain fields of activity not associated with the war where contraction would seem to be practicable during the period of change from a wartime to a peacetime basis. The reduction is in a measure arbitrary, but there are and will be times when an arbitrary course must be pursued in order to get appropriations back to thoroughly justified proportions. Looking ahead, that will be a responsibility of the regular subcommittees of the committee having jurisdiction.

"*Federal Communications Commission.*—It is proposed to reduce the amount for this agency (\$2,430,000) by \$930,000. The Commission's principal national defense functions have consisted of (1) monitoring the radio spectrum and (2) monitoring foreign broadcasts. The first long has been a responsibility of the Commission. The war made



necessary a larger activity, which was added to by the rapid strides that have occurred in the development of the radio art. This type of monitoring is concerned with radio-frequency emissions as such, and to use the Commission's words, goes to the crux of radio regulation.

"Monitoring foreign broadcasts was first undertaken early in 1941. With the termination of the war, a substitution would be news dispatches from American correspondents, and the reports of State Department officials and of military and naval intelligence officers. The amount available for this function is \$1,166,000, plus a part of \$166,000 for the work of the general administrative units of the Commission related to the conduct of both programs.

"The committee's reduction applies to both projects. It would reduce the total availability for the fiscal year to \$1,500,000, which should permit of a gradual tapering off and yet finance all liquidation costs.

"The regular appropriation for this agency is \$2,554,400, excluding an amount yet to be appropriated for financing the cost of the Federal Employees Pay Act of 1945 (Public Law 106, 79th Cong.).

*"Office of Community War Services, Federal Security Agency.*—The amount (\$450,000) is left intact. This appropriation embraces two very important projects related to the welfare of personnel of the armed services. One is concerned with the Government's social protection program aimed at the control of venereal diseases and the repression of prostitution in the vicinity of camps and military installations in this country, and the other is concerned with obligations and responsibilities to the War and Navy Departments and the USO in connection with the maintenance and operation of more than 400 recreation buildings which have been erected with Federal funds at various points in the continental United States. The activity is purely war-connected and should gradually diminish and completely disappear with demobilization.

*"Temporary aid to enemy aliens and other restricted persons.*—This activity is administered by the Social Security Board under the Federal Security Agency, and is operating with funds allotted to it by the War Relocation Authority. An expenditure of \$1,967,000 is contemplated between August 21, 1945, and June 30, 1946, of which \$467,000 is available and \$1,500,000 anticipates an additional transfer from the War Relocation Authority.

"The War Relocation Authority proposes an expenditure from July 31, 1945, to the end of the fiscal year 1946, of \$20,469,287, which excludes the transfer of the \$1,500,000 previously mentioned.

"The Social Security Board activity and the War Relocation Authority are related functions. The latter looks after the maintenance and welfare of persons in relocation centers, while the former is concerned with temporary assistance to needy individuals after release from the custody of the War Relocation Authority.

"The committee feels that liquidation should proceed more rapidly and that those responsible therefor are not proceeding to liquidate as speedily as they should; that there is too much of a disposition to confer and dilly-dally. Many of those under detention are slated to be returned to their native lands or the lands of their ancestors. They should be segregated and returned with all possible dispatch. There is no justification for a protracted delay and the responsible

officials should work out such details incident to repatriation at the earliest moment practicable. Thus convinced, the committee is recommending a rescission of \$5,000,000 of the funds available to the War Relocation Authority, which may have the effect of reducing, as it is expected to, contemplated further support of the activity administered by the Social Security Board.

*"Division of Geography, Department of the Interior.*—This agency is concerned with the uniform usage with regard to geographic nomenclature and orthography throughout the Federal Government. Its principal work since Pearl Harbor has been to aid with Army mapping projects, using Army funds. Such funds, still available, amounted to \$42,900 as of August 30, 1945. The committee is proposing a rescission of \$20,000 of the agency's direct appropriation of \$25,000 for the fiscal year 1946, with the thought that the activity should concentrate upon the termination of the Army's work, using Army funds for the remainder of the current fiscal year. Decision with respect to nonwar work after the present fiscal year it is proposed be left for consideration and recommendation by the regular subcommittee of the committee having jurisdiction of appropriations for the Interior Department."

With respect to the action proposed affecting the Federal Communications Commission, since H. R. 4103 was reported to the House, the committee has been advised by the Chairman of the Commission that the activities of the Foreign Broadcast Intelligence Service will be terminated as quickly as practicable, and that complete liquidation in all probability will have been accomplished by November 15, 1945.

With respect to enemy aliens and other restricted persons, some criticism has been voiced regarding the committee's insistence upon expedition in getting detained persons who are to remain in this country relocated and in getting those who are to be deported shipped to their native lands. The committee recognizes the difficulties attendant upon relocating persons within this country. It is not in sympathy, however, with keeping disloyal persons here a moment longer than strictly essential and it has information that measures in the interest of expedition have been taken. It was this group against which the committee's former complaint was leveled.

#### NURSES' TRAINING PROGRAM, CHILD-CARE CENTERS, BUREAU OF MINES PROJECTS

The pendency of this measure has been generally known. The items in this title which would be under review were published in House Document 280 on September 5, 1945. Complaints that have come to the committee concern three propositions, namely, the nurses' training program, child-care centers, and various activities under the cognizance of the Bureau of Mines. As presented, the bill with respect to such matters should be generally satisfactory, at least to those who have complained.

The nurses' training program is provided for as proposed by the President, which means that all qualified formal applicants for training would be admitted into training courses beginning up through October 15, 1945.

Child-care centers: Federal assistance will be continued until March 1, 1946, instead of being withdrawn as of October 31, 1945.

The amount proposed for rescission in House Document 280 has been reduced by an amount suggested by the Federal Works Agency which will make possible continuance of Government support until the later date indicated.

Bureau of Mines projects (itemization on pp. 29 and 30 hereof): The bill provides for rescissions as recommended by the President. Word got abroad that the committee contemplated appreciably larger repeals. It has adhered strictly to the President's figures.

Pertinent to these three matters, the committee met with a number of instances where, though a particular appropriation had been advocated and provided because of war conditions, there was no disposition to dispense with or curtail the appropriation. That is understandable in some cases where nonwar functions expanded during the war period, but in the face of the compelling need for retrenchment, activities which came into being solely because of the war should be required to terminate. It will require a firm and determined attitude to effect readjustments to peacetime necessities. The committee solicits the help of the House in the discharge of that responsibility. It will be a continuing task for many months ahead, and will fall largely, in the future, upon the various subcommittees of the committee having jurisdiction of the regular annual supply bills.

There follows a listing of the larger amounts proposed for rescission under title I:

Office of Scientific Research and Development.....	\$13, 898, 208
War Shipping Administration.....	311, 452, 000
Office of Price Administration.....	25, 929, 000
Emergency fund for the President.....	45, 000, 000
Defense aid, lend-lease.....	<sup>1</sup> 1, 739, 561, 000
U. S. Maritime Commission.....	<sup>2</sup> 496, 500, 000
• National Housing Agency.....	127, 727, 000
Department of Agriculture, emergency supplies for Territories and possessions.....	25, 000, 000

<sup>1</sup> Exclusive of \$600,000,000 of contractual authorization.

<sup>2</sup> Exclusive of \$325,900,000 of contractual authorization.

## OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT

This splendid agency but a few months hence will go out of existence. The contribution that it has made to the winning of the war is inestimable. Without such contribution, it is safe to say that victory still would await achievement. However, the office has been essentially a war agency and it is now engaged in liquidation. To its distinguished and internationally known head, Dr. Vannevar Bush, and the staff of great scientists he gathered around him to aid in the development of new weapons, the Nation owes much.

The slated demise of this war agency brings to the fore the imperative need to establish a properly constituted peacetime agency charged with the responsibility of fostering, promoting, and integrating military research activities, and possibly research engaged in by nonwar agencies of the Government. The technological development since Pearl Harbor and the development that has occurred in the field of electronics, jet propulsion, supersonic rockets, and atomic explosives all point to the necessity of continual, vigorous, well ordered, and capably directed peacetime efforts in the search for the best offensive-defensive weapons it is humanly practicable to devise.



The budgets of the War and Navy Departments, as they would be modified by the accompanying measure, will have a total availability in excess of 385 millions of dollars for research and development. Every technical branch of the two departments is a participant in such sum. There is no over-all direction. A forward step was taken in the case of the Navy a few days ago, when, by Executive order, it was provided that there should be in the Navy Department "an office charged, as the Secretary of the Navy may direct, with the coordination of naval research, experimental, test, and development activities and with such other related duties as may be appropriate." The Army should follow suit, and then all should be headed by a single coordinator. Duplication of effort thus would be avoided, economies consequently would ensue, and results might be more quickly achieved.

#### UNITED STATES MARITIME COMMISSION, WAR SHIPPING ADMINISTRATION

The cessation of hostilities naturally meant a change in the spending programs of these related agencies. As to the Maritime Commission, cutbacks of building programs and abandonment of construction of further units for wartime uses make possible the recovery of \$496,500,000 of cash and the cancellation of \$325,900,000 of contractual authorization. Commitments, plus these rescissions, will exhaust the funds and contractual authority of the Commission by the end of the fiscal year.

There remained under construction on August 31, 1945, 290 vessels of various categories. Thirty-six of the number were started on lend-lease account. One hundred and thirty-five of the units that were building on VJ-day have been canceled.

The amount that will remain of contractual authorization (approximately \$443,000,000) will be used to cover the construction of a number of units (exact number not yet determined) suitable for post-war employment. Of the cash reserved from rescission, \$67,768,500 will be applied toward such construction. The additional amount required will need to be appropriated later. The original proposal considered by the committee called for the construction of 89 units. Since then, an additional rescission of \$135,900,000 has been recommended in contractual authorization, and the committee has not been advised of the eliminations that the repeal of such additional amount would entail. All units, it is understood, are for the account of private operators in accordance with fiscal arrangements in consonance with the Merchant Marine Act.

For the conduct of the War Shipping Administration, rescissions are proposed aggregating \$311,452,000. Of that amount, the committee is directly responsible for \$71,752,000. A firm estimate of needs is wholly impracticable in the light of the changed conditions the war's end has brought about, and it was for that reason that the committee was hesitant to effect a larger reduction. The needs of this agency will be reviewed again in midfiscal year, and, of course, are continually under review by the Bureau of the Budget.

## OFFICE OF PRICE ADMINISTRATION

The appropriation for this agency for the current fiscal year is \$174,500,000. A rescission is proposed of \$25,929,000. Within the reduced availability of \$148,571,000 it is planned to absorb the cost of terminal leave and the cost of the Federal Employees Pay Act of 1945, which latter is a matter of some \$18,000,000. The terminal leave cost is not available. That it will be appreciable, is evidenced by the fact that by the end of June 1946, 36,500 positions will have been dispensed with. It is quite apparent, therefore, that the agency is liquidating about as rapidly as practicable commensurate with the responsibilities which it must continue to exercise. Expenditures during the first quarter of the present fiscal year aggregated \$52,452,460. They will be less than half of that amount during the last quarter.

The committee's hearing of the agency's revised money needs was conducted on September 10, 1945. At the committee's instance, a restudy subsequently was made, with the result that the originally recommended rescission of \$21,935,000 was increased by Director Bowles by \$3,994,000. The increase was communicated in a letter, dated October 1, 1945, in which needs are projected in considerable detail over the remainder of the current fiscal year. The letter stresses the importance of guarding against inflationary prices, such as occurred after the close of World War I. No disposition has been manifested to maintain controls in cases where a reasonable relationship obtains between supply and demand.

The committee invites attention to the following excerpt from Mr. Bowles' letter:

"Without careful control the possibilities of a sharp inflation in prices are explosive. The result could only be serious for the country. With these controls in the fields where they are needed for a few remaining months, business, farmer, and consumer can have the tremendous advantage of relatively stable prices to start on their peacetime way.

"Continuing studies of the supply-demand picture are being carried on in each price branch \* \* \* in conjunction with the other agencies of the Government. Controls are being dropped, and will be dropped as promptly as demand comes up to supply. It is the policy of the agency to drop controls a little too early rather than too late, so long as there appears to be no likelihood of a general increase in the price level.

"As indicated earlier, estimates of supply and demand in different commodities are still changing from week to week. Our best guesses, however, of decontrol possibilities in major areas are as follows:

"1. *Food*.—With a few exceptions, such as eggs, potatoes, and certain vegetables, controls must be maintained through January 1, 1946, and for the most part through the winter season which is characteristically a period of short supply. About April 1, certain major items, such as milk and some other dairy products, fish, and a large number of canned vegetables can probably be suspended from control. Favorable estimates regarding grain harvest may permit suspension of grains, legumes, and field seeds, and so forth, by late spring 1946. Although control of good and choice cuts of beef must be continued through spring of 1946, there is reasonable possibility of suspension of



controls of low quality, utility, stew, and processed meats during the grass-fed cattle run. Sugar, canned fruits, and fats and oils will probably have to be controlled through June 1946. Retention of community pricing is geared indirectly with decontrol of major food items at the producer level. Hence, beginning January 1 and throughout the third and fourth quarters of the fiscal year, community lists will be reduced in size and supplementary lists eliminated. But some community ceiling prices will be necessary throughout the fiscal year.

"2. *Consumer goods*.—From now until the beginning of the fourth quarter of the fiscal year, price pressures and shortages will continue sufficiently severe to prevent the removal of controls from any significant portion of commodities in the textile and clothing fields. By April 1, 1946, the projected supply and demand figures indicate that we will be nearing a balance and, consequently, that serious consideration must be given to removal of controls in major apparel and textile categories.

"In the consumer durable goods field, most of the major items have either been in extremely short supply or out of production entirely during the war. Items such as major electrical appliances, etc., cannot be decontrolled until plants are in full production and these commodities have entered in adequate supply into the distributive levels. This supply and demand balance is not anticipated prior to June 1946. Minor consumer durable items of less significance in the consumer budget are currently being removed from control, and this trend will be speeded up from January 1 on.

"3. *Services and transportation*.—Beginning January 1, and probably effective by April 1, controls may be removed from important services such as laundries, dry cleaning, etc. Continuation of restaurant control will be geared with food price control and probably will be continued through early spring 1946. Contract-carrier services must be kept under control until the extreme shortage of equipment is eliminated. With the shortage of equipment expected to continue through the spring of 1946, it is anticipated that contract-carrier price control will have to be maintained at least through that period.

"4. *Industrials*.—By January 1, consideration will be given removal of control of certain basic materials, machines, and so forth, for which the military demand was large and the substitute civilian demand is considerably less. Major attention must be devoted to the maintenance of controls, however, in the basic civilian items which were out of production during the war. Chief among these items are automobiles and other major metal-using items. Extreme shortage of residences will cause price pressures to continue severe at least through June 1946 and beyond for many items in the building-materials field. So long as contract carriers, metal-using consumer durable goods, and building are in short supply, basic metals, building materials, and machines must be kept under control. Extremely specialized items and some basic materials may be removed from control by the end of the third quarter of the fiscal year.

"5. *Transition pricing and adjustments*.—Price work load in surplus-war-goods field will increase substantially through spring 1946. The total work load in pricing and adjustment, particularly in the fields of transition and new-goods industries, will mount sharply with the release of manpower and materials. Speed in processing and initialing prices is of increasing importance, and it must be recognized that it is

a greater work load to handle the same number of cases in a shorter time. It is the responsibility of the Agency to make necessary adjustment in line with our policy to avoid having price ceilings interfere with full employment and full production. It is anticipated that reconversion pricing, new-goods pricing, and general adjustment processing will reach a peak about March 1, 1946, and will taper off substantially after that period.

"6. *Rents*.—Pressures against rent ceilings \* \* \* particularly in the larger centers of population \* \* \* will unquestionably continue for some time. Across the country there is a shortage of something like 12,000,000 homes or apartments now. The pressures against the rents will not abate until much of this housing deficiency is made up, or until rents are substantially higher than they are today.

"Since the termination date of the legislation granting OPA its authority is June 30, 1946, Congress will want to consider at what time rent control is to be finally eliminated.

"Meanwhile the agency will, of course, follow a policy of selected decontrol. Out of 480 rental areas there are perhaps 235 where rent control was originally started, because of the development of a military establishment of some kind. These are the smaller areas and all together require perhaps 8 to 10 percent of the rental staff. Unquestionably, when the military establishments are closed up, there will be no longer any need for rent control in these areas. After conversations with the Army and Navy on the subject, it is thought likely that some 150 areas of this type can be decontrolled in the present fiscal year.

"In other areas, there seems little likelihood for decontrol. The policy of the agency will be to strengthen the program wherever possible, without the addition of staff, since the pressures against rents in the large areas are greater than ever before with problems on adjustments, evictions, and so forth, which are more serious than ever."

#### EMERGENCY FUND FOR THE PRESIDENT

The availability of this fund heretofore has been extended to June 30, 1946. The amount available for the current fiscal year, including credits from cancellations, is \$67,935,122. Obligations through August 31 were estimated as \$4,804,500. For the remainder of the fiscal year they are estimated to aggregate \$18,130,666, or a total for the year of \$22,935,122. The difference of \$45,000,000 is proposed for rescission. Of course, estimated obligations can be only a guess, because the appropriation is for meeting entirely unforeseeable emergency situations.

The committee feels that there should be available to the Chief Executive a reasonable amount for meeting emergency situations consequent upon the war. As previously indicated, the appropriation will cease to be available after next June 30. There is no reason to anticipate that the fund will be employed in directions not having a distinct war relationship or which would create commitments for projects for which appropriations later would need to be provided.

## DEFENSE AID—LEND-LEASE

## Rescission proposed:

Cash.....	\$1, 739, 561, 000
Contractual authorization.....	600, 000, 000
Total.....	2, 339, 561, 000

There remained an unobligated balance on July 31, 1945, of \$3,618,744,000 of cash and \$600,000,000 of contractual authorization, or a total of \$4,218,744,000. The rescission proposed reduces such availability to \$1,879,183,000.

The projected employment of such sum is as follows:

Additional payment to UNRRA (already effected), in compliance with provisions of the UNRRA Appropriation Act of 1945.....	\$100, 000, 000
Transfer to Commodity Credit Corporation as a reserve for the support of agricultural prices.....	500, 000, 000
Liquidation of commitments for goods and services, and incidental administrative expenses.....	1, 279, 183, 000
Total.....	1, 879, 183, 000

The articles embraced by the last item it is expected will be disposed of to Allied Governments on either a cash or credit basis. Credit would be extended over a 30-year period with interest at the rate of 2½ percent per annum. Recovery is anticipated, therefore, of the greater part of the funds which will be invested in carrying out the contracts and commitments involved in current outstanding orders.

The responsibility for administering lend-lease over its liquidation period has been transferred to the State Department.

## NATIONAL HOUSING AGENCY

This agency, to the credit of its Administrator, was among the first to curtail activities and reduce expenditures. On August 11 the field offices of the Federal Public Housing Authority, construction agency for publicly financed war housing, were directed to—

- (1) Suspend all projects not under construction.
- (2) Suspend all betterments to completed projects except those urgently needed to protect the health and safety of the tenants.
- (3) Review all projects under construction to determine where savings could be effected by suspending further operations.

As a consequence, rescissions aggregating \$77,727,000 have been recommended and are proposed in the bill. The Agency is left chiefly with these functions: Finishing certain projects which it was deemed uneconomical to suspend; assisting distressed families of servicemen and veterans who need housing; administering and operating properties in areas where adequate private housing is lacking, and the disposal of projects no longer needed.

With respect to the latter, disposal measures are financed from reserves accumulated from operating receipts. Such reserves approximated \$75,000,000 last June 30. The agency agrees that a reserve of not more than \$25,000,000 will suffice, and has proposed that the present excess of \$50,000,000 be covered into the Treasury,



and that an amendment of existing law dealing with the disposal of property be enacted, which would establish a \$25,000,000 ceiling upon such a reserve. Such an amendment has been included in the bill, commencing in line 10, page 9. It has the approval, the committee is advised, of the chairman of the Committee on Public Buildings and Grounds.

## DEPARTMENT OF AGRICULTURE

### EMERGENCY SUPPLIES FOR TERRITORIES AND POSSESSIONS

The act of December 23, 1941 (Public Law 371, 77th Cong.), established a revolving fund of \$35,000,000 to procure, transport, and distribute agricultural commodities and supplies to meet the emergent requirements of the civilian population of the Territories and possessions of the United States. The need was brought about by enemy submarine operations and the diversion of shipping to meet war requirements.

A rescission is proposed of \$25,000,000, or \$10,000,000 above the proposal contained in House Document 280. The activity should be completely liquidated by or shortly after the end of this calendar year, at which time there should be an appreciable additional recovery.

### EMERGENCY RUBBER PROJECT

*Guayule shrub.*—The bill includes a rescission of \$1,649,790 of funds available for this project, and a provision for its complete liquidation, but allowing continuance of the research phases until June 30, 1946. The testimony is that a need for the product no longer exists. The Director, Rubber Programs, War Production Board, has recommended "that the project be liquidated as rapidly as possible and with the least expenditure of public funds." The committee has increased the rescission recommended in House Document 280 by \$688,000. This amount is the estimated cost of harvesting and milling the shrub before closing down which would yield rubber worth \$168,000. Some of the \$688,000 already has been expended, but the committee is satisfied that the unrescinded availability will finance all appropriate liquidation costs if expended with proper care and a due regard for economy.

### WAR FOOD ADMINISTRATION

This agency came into being in the fiscal year 1944 as a war agency. Its mission has been to aid in the assurance of an adequate supply and distribution of food and other commodities. The appropriation for its functions for the current fiscal year is \$14,986,472. A rescission is proposed of \$3,116,894. It is the plan to liquidate during the current fiscal year and to absorb within the unrescinded amount terminal leave costs and other added personnel costs growing out of the Federal Employees' Pay Act of 1945. The latter will occasion an expense, not previously provided for, of \$1,108,974. A fiscal statement appears on page 778 of the hearings, part I. Past functions of the agency and the work with which it is still engaged are succinctly stated on page 786 of the hearings by Mr. Paul C. Stark, Director of the Food Distribution Programs Branch.

## DEPARTMENT OF COMMERCE

## CIVIL AERONAUTICS AUTHORITY—DEVELOPMENT OF LANDING AREAS

The committee has been supplied with more recent and complete information than was available on September 13, 1945, when it inquired into this activity. The later data, conveyed by letter dated October 12, 1945, indicate an unobligated balance on June 30, 1945, of \$25,975,240, charges against such balance dating from July 1, 1945, of \$22,567,661, and a Treasury return of \$3,407,579. Such return exceeds by \$1,332,880 the amount originally proposed for rescission and results from withdrawal from the program of (1) the project at Anniston, Ala., which was constructed by the Army as a purely military airport, which removes the project as a charge to the development of landing areas appropriation, and (2) the project at Sault Ste. Marie, Mich., because it would cause to be exceeded the number of projects which have been authorized (535).

The committee is proposing a total rescission of \$5,000,000. It believes that economies are practicable in administrative directions and that some reduction is practicable in project costs.

## DEPARTMENT OF JUSTICE

## FEDERAL BUREAU OF INVESTIGATION

The appropriations for this agency for the present fiscal year are—

Salaries and expenses (regular).....	\$7, 900, 000
Salaries and expenses (special emergency).....	100, 000
Salaries and expenses (national defense).....	27, 829, 000
Total.....	35, 829, 000

The above amounts are the amounts estimated as necessary by the Department of Justice for the conduct of the functions of the Bureau on the basis of a one-front war.

The President's submission of September 5 (H. Doc. 280) proposes a reduction of \$2,480,000 in the national defense item. In addition, it contemplates that the remaining amount shall be charged with the cost of terminal leave and of the Federal Employees Pay Act of 1945. It is understood that the latter will occasion a charge in excess of \$4,000,000.

To meet the Budget proposal, manifestly a drastic curtailment would need to be made in personnel between now and the end of June. Director Hoover estimates a total of 4,872 separations. This may be too severe so early after the war although it is true the war's termination has brought to an end many responsibilities the Bureau has shouldered since Pearl Harbor. These considerations were all weighed by the Bureau of the Budget before its determination was transmitted to the Congress by the President, and the committee, therefore, is unwilling to depart from the recommendation it has received.

## CENTRAL STATISTICAL AGENCY

The committee's inquiry into so many phases of Government brought to the fore the multiplicity of agencies which engage in the gathering, compilation, and publication of statistics of one kind or

another. The committee's information is that 65 separate agencies engage in such work. Duplication is bound to result and there must be much unnecessary overhead. True, a coordinating agency heads up in the Bureau of the Budget, but the committee feels that the Bureau of the Budget should make or have made a study of the matter and take appropriate measures toward the establishment of a single statistical agency.

## TITLE II—MILITARY ESTABLISHMENT

Rescission proposed..... \$29, 843, 090, 564

According to the President's submission (H. Doc. 290), the Army had a cash balance of current and prior year appropriations on July 1, 1945, of \$63,831,706,888. The total appearing on page 34 hereof excludes amounts applying to appropriations as to which no rescission is proposed. Of such document total, \$33,626,678 had been expended or obligated as of July 31, 1945, leaving an uncommitted availability of \$30,205,028,016. Such amount the document contemplates will be increased to \$47,129,605,501 as the result of savings through reimbursements and cancellations aggregating \$16,924,577,485. Of such total availability of \$47,129,605,501, the Budget has proposed rescissions totaling \$28,692,772,000. The committee is proposing additional rescissions aggregating \$2,210,318,564, or a total rescission of \$30,903,090,564, leaving a balance for obligation over the period August 1, 1945, to June 30, 1946, of \$16,226,514,937.

The additional rescissions proposed by the committee are itemized in the table on pages 32 and 33 hereof.

The amount of the recovery should be generally very gratifying. The committee believes, however, that it may be substantially added to later when firmer figures will be available as to the results of cut-backs and cancellations and more time has been available for surveying fiscal needs, which is an extremely difficult task considering the enormity and complexities of demobilization.

The Military Appropriation Act for the current fiscal year includes an independent provision requiring the submission to the Appropriations Committees of the Congress on January 3, 1946, of a list showing the condition of the balances of each military appropriation and contract authorization together with recommendations for the repeal of such of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted. Army funds, therefore, definitely will be subjected to further review a few months hence.

The major rescissions proposed under these heads:

Quartermaster Corps.....	\$3, 944, 994, 479
Air Corps.....	12, 166, 313, 000
Corps of Engineers.....	2, 349, 523, 571
Ordnance Department.....	8, 300, 000, 000

No rescission is proposed under "Pay of the Army." The reason is that the pay appropriation for the current fiscal year was provided on the basis that more than half of the amount estimated to be needed would be met with surplus funds to be transferred from other appropriation heads, but chiefly from the appropriation "Air Corps, Army."

The Army attained its peak strength on May 31, 1945, when total strength reached 8,291,000. By August 31, 1945, the strength was



decreased to 8,023,000 and by June 30, 1946, will be reduced to 1,950,000. The number of troops overseas increased monthly from December 1941 through April 1945, when about 5,455,000 troops were deployed throughout the world. Overseas strengths have declined since April 1945, and on August 31, 1945, there were 4,263,000 men overseas. A further steady decline in overseas strength is planned during the remainder of fiscal year 1946. Demobilization of well over 6,000,000 men by June 30, 1946, is the present goal of the War Department.

Ability to demobilize the Army depends upon the capacity of three principal facilities: (1) Transoceanic transportation (including ports and staging areas), (2) transcontinental and inland transportation, and (3) separation centers. The committee has been advised that within these limitations demobilization will proceed as rapidly as possible, consistent with operational requirements.

The problem is a big one and the committee recognizes that it has many ramifications. The same holds true as to the Navy. On the other hand, the committee is not satisfied that it is not practicable for both services to attain the presently established objectives more rapidly. Both should immediately adopt the policy of releasing any officer or enlisted person as and when they become surplus. Points or no points, it is unjust to the individual to hold him and it is an imposition upon the taxpayers to hold him beyond the time there is a genuine need for his services. As regards points, it is the committee's understanding that present point requirements would not permit reaching the objective strengths on schedule. If this be true, the points should be immediately adjusted to the demobilization programs and promptly publicized in order that the individual and his family may know in advance what to expect and be able to plan accordingly. Any other course would be most unfair and should not be tolerated.

It is the judgment of the committee that demobilization, particularly of Army and Navy personnel, can be accomplished and should be accomplished a great deal more rapidly than the appropriation amounts proposed to it for rescission contemplate. It has support for this view in the accelerated program published by the War Department on October 15. The committee is convinced that the Navy, too will find it practicable to release both officers and men at a more rapid rate than planned a few weeks ago. In fact, the committee understands that around 58,000 releases have occurred in excess of the number of releases programed when Navy representatives were before it.

The committee would hesitate to take any step which would necessitate demobilization at a rate which would interfere with orderly processes. It appreciates that there are technicalities which cannot be ignored. It feels confident, however, that a too cautious attitude as to the adequacy of funds prevails in the two services, and it is, therefore, recommending rescissions affecting Army and Navy personnel approximately \$1,240,000,000 in excess of recommendations it has had before it of a formal and informal character. And it has gone a step further. It has included in the bill (p. 35, after line 5) a provision requiring the armed services to proceed with demobilization

at a rate not less than would be necessary to keep within the unrescinded amounts for the pay of uniformed personnel, unless the President should otherwise direct. The committee believes that it is the judgment of the House and of the country that nonregular personnel should be returned to a civilian status with the least possible delay. The provision proposed has attached to it a saving clause which would protect the armed services from pursuing a course inimical to the public interest.

Quartermaster reductions occur mainly in clothing, subsistence, and miscellaneous troop equipage.

*Air Corps.*—The Air Corps rescission is the most noteworthy. There was an unobligated balance on July 31 of \$7,623,638,241. Recoveries through reimbursements and cancellations will raise such amount to \$16,860,092,718. Of this sum, \$3,536,497,999 will be used to supplement the Army's pay appropriation and \$12,166,313,000 is proposed for rescission. That would leave \$1,157,281,719 for obligation over the period August 1, 1945, to June 30, 1946. Such sum is \$564,000,000 less than contemplated by the Budget submission and represents the additional rescission proposed by the committee applying to the Air Corps alone. Such additional rescission the committee leaves to the Air Corps to apply. It is directed more particularly against operations, of which there should be a decided curtailment. Savings thus would occur in expenditures for gasoline and oil, spare parts, and other expendables incident to operation, and to civilian ground personnel. The cut may appear to be drastic at this stage. It is intended to enforce economical practices. However, there may, and very likely will be, additional accruals from cancellations or otherwise, and the Budget Bureau will be free to release such portions thereof as it may be convinced will be genuinely necessary for the Air Corps to weather the scaling-down process.

As of August 23, 1945, the Air Corps was possessed of 62,045 planes. It is the present plan to dispose of 44,222 of that number and to retain 17,823 (see p. 572 of hearings, pt. II). New procurements are indicated on page 574—1,238 units, which are expected to cost \$395,190,000.

*Corps of Engineers.*—The rescissions proposed as to this branch would leave an availability over the period August 1, 1945, to June 30, 1946, as follows:

Engineer Service-----	\$1, 156, 865, 905
Military posts-----	85, 000, 000
Barracks and quarters-----	360, 927, 227

The amounts are not considered to be overly large for the transitional period, but will be reviewed again in January. Within the first named amount, \$600,000,000 has been administratively impounded pending determination of future operations with respect to the Manhattan project. The only permanent construction contemplated is estimated to cost \$7,630,000. The projects are enumerated on page 766 of the hearings, part II.

*Ordnance Department.*—This branch, which has performed a most wonderful service, will operate on an availability of \$377,973,411 over the period August 1, 1945, to June 30, 1946. It will have a large responsibility during demobilization in looking after the storage and preservation of great amounts of ordnance material the condition of which warrants retention as a reserve.



## TITLE III—NAVAL ESTABLISHMENT

## Rescissions proposed:

Cash-----	\$14, 404, 721, 830
Contractual authorization-----	3, 257, 442, 131
Total-----	17, 662, 163, 961

According to the President's submission (H. Doc. 286), the Navy had a cash balance of current and prior year appropriations on July 1, 1945, plus uncommitted contractual authorization, of \$75,338,-339,105. The table appearing on page 35 hereof excludes amounts applying to appropriations as to which no rescission is recommended. Of the document total, \$51,671,930,782 had been expended or obligated as of July 31, 1945, leaving an uncommitted availability of \$23,766,408,323. Such amount the document contemplates will be increased to \$29,607,421,476 as the result of savings through reimbursements and cancellations aggregating \$5,841,013,153. Of such total of \$29,607,421,476, the Budget has recommended rescissions totaling \$17,058,917,446. The committee is proposing additional rescissions aggregating \$603,239,515, or a total rescission of \$17,662,-163,961, leaving a balance for obligation over the period August 1, 1945, to June 30, 1946, of \$11,945,257,515.

The reduction is a very substantial one and is attributable in the main to these considerations:

Demobilization of the fleet.

Reduction in personnel by reason of such demobilization.

Contraction of shipbuilding.

Contraction of aviation procurement and activities.

Cut-backs and cancellations of contracts.

The demobilization objective date is September 1, 1946. By that time it is the aim to have accomplished the presently contemplated fleet dispositions. The program calls for (1) an active fleet of 1,672 units, of which 297 would be major combatant vessels, (2) an inactive fleet in a state of readiness, comprising 2,313 units, of which 104 would be major combatant vessels, and (3) a reserve fleet of 2,099 units, of which 681 would be in the major combatant category.

Such an establishment the Department estimates will require a strength of 500,000 enlisted men and 58,000 officers. These numbers it is expected to reach by next September 1. At the time of the hearings it was estimated that by the end of this fiscal year the enlisted strength would be down to 972,200 and the officer strength to 105,000. Such numbers compare with a scheduled enlisted strength at the end of this month of 2,820,000 and an officer strength of 298,700.

*Naval aviation.*—Naval aviation is working toward an objective of 8,000 operating planes and 4,000 in a reserve status, to be reached on September 1, 1946. The Navy possessed about 41,000 planes at the beginning of the present fiscal year. It is the plan to dispose of 24,000 of such number, principally by junking.

The rescission on account of naval aviation, cash and contractual authorization, is \$3,481,300. The air arms have been exceedingly costly and will continue to require large budgets in comparison with those maintained immediately preceding the war.

*Shipbuilding.*—There were 10,108 units under construction on August 1, 1945 (pt. II of hearings, p. 215). Of these, 1,114 were

delivered in August, and 8,394 have been canceled, leaving under construction as of September 1, 612 units. A rescission is proposed of \$1,085,632,657.

Authority exists for further construction, the estimated cost of which is \$4,222,606,242. In view of the tremendous size and modernness of the existing fleet, the committee does not feel that any part of such authority should be exercised any time in the near future, and has included in the bill (p. 29, lines 7-12) a limitation barring the commencement of new construction during the remainder of the current fiscal year.

*Marine Corps.*—The Marine Corps, like the Navy, is in course of demobilization and expects to level off at its postwar strength of 100,000 men and 8,000 officers by September 1, 1946. The total strength of the corps by the end of June is expected to be down to 191,028 from a total strength of 474,244 at the beginning of the fiscal year (see table in pt. II of hearings, p. 162).

*Coast Guard.*—The Coast Guard also is contracting, but is retarded in so doing by reason of the commingling of its personnel with naval personnel on a large number of craft. That impediment will be removed as vessels return to home ports. Current fiscal year appropriations for the Coast Guard provided for an average of 13,165 officers and 160,000 enlisted persons. The present postwar objective is 4,900 officers and 30,000 enlisted men.

#### PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

There follows a summation of funds reviewed under this head and of the action proposed:

	Available July 1, 1945	Obligations and expendi- tures during fiscal year	Rescissions proposed
Cash.....	\$1, 579, 231, 400	\$1, 179, 231, 400	\$400, 000, 000
Contractual authority.....	1, 664, 046, 697	} 668, 882, 713	1, 229, 880, 000
Credits through cancellations.....	234, 716, 016		
Total.....	3, 477, 994, 113	1, 848, 114, 113	1, 629, 880, 000

Of the \$1,848,114,113 which will be available for obligation during the current fiscal year under the proposed rescission, \$1,538,452,131 is committed, leaving for new commitments for the balance of the fiscal year \$309,661,982. Of the latter, \$152,261,080 would be employed on projects within continental United States and \$157,400,902 on advance-base projects. A general break-down of the two amounts appears on pages 336-337 of the hearings, part II.

The committee has left untouched the amount for advance-base projects. It has added 45,000,000 to the rescission proposed in contractual authorization, to apply to items in continental United States, which would reduce the allocation to such projects from \$152,261,080 to \$107,261,080. The committee's reduction may be applied generally or to specific projects, as the Department may elect. The cut may be considered a drastic one, but with the war over and in the light of the large outlays that have been made upon shore establishments since the early days of the war, it is the sense

of the committee that additional physical improvements should be reduced to the very minimum consistent with reasonably conservative support of a peacetime Navy.

*General.*—The rescissions made by the committee independently of Budget recommendations are shown in the table on pages 35 to 38 hereof. There is nothing particularly drastic about any of them. They contemplate a larger savings from the maintenance and operation of naval aircraft, and they are designed substantially to curtail the consumption of fuel by vessels, either by less steaming or steaming at reduced speeds.

*Naval and civilian personnel, Navy Department.*—The Appropriations Committee and the Naval Affairs Committee have been concerned for some time about the large number of naval personnel and civilians identified with the Departmental Service. There unquestionably has prevailed a very considerable overstaffing. The committee has been maintaining a check on civilian personnel by limitations, which has been largely negated by the employment of officer and enlisted personnel. Subsequent to the hearings, the committee received a communication from Under Secretary of the Navy Gates on the subject. It reads as follows:

Rear Adm. F. G. Crisp has advised me that, during his appearance before your committee on September 24, 1945, you asked that we give further study to the Navy's plans for reducing its civilian force in the departmental service.

As of August 31, 1945, the Navy Department (excluding Marine Corps and Coast Guard) had 46,650 personnel on duty in the departmental service. Of these, 17,429 were civilians, 16,594 were enlisted personnel, and 12,627 were officers. Our plans contemplate a reduction by the end of 1946 to a total departmental force of 18,019 composed of 12,824 civilians, 1,830 enlisted personnel, and 3,365 officers. This represents an over-all reduction in force of 28,631.

By the end of June 1946, our military force in Washington will be reduced from 29,000 to about 10,000. Our civilian force will have declined only slightly (to about 16,700) by that time. During this period, civilians will be taking over the continuing civilian type duties now being performed by military personnel, and any further reduction in civilian strength can only result in delaying the release of military personnel or in failure to accomplish essential work.

My study of the situation indicates that this is the maximum reduction in force that can be expected. The estimated postwar civilian force was determined in my immediate office. It was arrived at after careful consideration of the anticipated work load during the demobilization period and a thorough study of departmental strength in relation to the size of the entire naval establishment afloat and ashore. Many of the bureaus and offices will have extremely burdensome duties to perform during the demobilization period—notably the Bureau of Naval Personnel, the Bureau of Medicine and Surgery, and the Bureau of Supplies and Accounts. Unless these and other bureaus are adequately manned, the whole process of demobilizing men and material will be impeded. As a matter of fact, a number of the bureaus have protested that their civilian personnel allocations, made in accordance with our over-all forecasts, are inadequate and that it will be well-nigh impossible for them to accomplish their essential tasks with the reduced forces we propose to allow them.

The Secretary and I are just as anxious as is your committee to cut expenditures to the bone and to operate our naval establishment with a minimum force. It is my considered judgment that our present plans for the departmental service are wholly consistent with that objective. Barring a substantial change in the contemplated size and mission of the postwar navy, any further reduction in departmental personnel can only result in the Navy's inability to accomplish essential work and in the neglect of responsibilities that are vital to the national interest.

The committee does not agree that 26,700 positions will need to be permanently filled after next June 30 to serve postwar needs. It expects to see that number very substantially reduced as conditions become stabilized.



*Legislative provisions.*—The bill includes two provisions advocated by the Navy Department, both of which have the approval of the Committee on Naval Affairs. One is designed to permit the employment of alien scientists, which the Army has authority to do, and the other provides for the free issue of a service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty who was prevented from taking such articles of clothing with him at the time of his assignment to sea and foreign shore duty. The two provisions will be found on pages 34 and 35 of the bill.

Subsequent to the inclusion in the bill of the provision respecting uniforms, the committee has been advised that it is too narrow in scope; that there are other cases which should be taken care of to which the provision does not apply. If a change in the provision meets with the approval of the Committee on Naval Affairs, the committee would be willing to accept an amendment to the provision in the bill.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore enacted are recommended:

On pages 21 and 22, relating to the Military Establishment:

*Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).*

Under present laws, reimbursement for transportation of dependents of military personnel is based upon the commercial cost of the transportation involved, in some instances, and in others upon the cost incurred by the individual, not in excess of what it would have cost the Government if the Army had provided transportation, necessitating the ascertainment of such commercial cost or of the cost to the Government in each instance. Because of the inevitable administrative delay resulting from this procedure, there is now an accumulation of some 25,000 claims by officers and enlisted men of the first three grades for transportation of their dependents. Payment of these claims is being delayed because the War Department has insufficient competent rate clerks to determine the amount due in each case. The number of such claims will increase as the rate of demobilization increases, and the administrative delay and use of experienced personnel who could be engaged on other work will tend to retard the rate of demobilization. The foregoing provision would permit payment at a flat rate for the distances shown by the Official Mileage Tables, and would authorize payment of such amounts in advance in order that the officer or enlisted man might receive payment at time of discharge without making application after the travel to his home has been performed. Its enactment has been urgently requested by the War Department in order that prompt settlement on a simple and reasonable basis may be made.

On page 34, relating to the employment of aliens by the Navy Department:

*Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.*

On pages 34 and 35, relating to the issuance of uniforms to naval enlisted personnel:

*Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: Provided, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.*

On page 35, relating to personnel of the armed services:

*The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this Act, unless the President otherwise shall direct.*

#### COMPLIANCE WITH CLAUSE 2a, RULE XIII

[Existing law printed in roman type. Changes proposed therein by the provision in the bill shown by the use of italic type to indicate the matter proposed to be inserted.]

On page 9, line 10:

SEC. 303. (a) Moneys derived from rental or operation of property acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of operation and maintenance and expenses found necessary in the disposition of any such property or the removal of temporary housing by the Administrator, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided, That moneys derived by the Administrator from the rental or operation of any such property may be deposited in a common fund account or accounts in the Treasury: And provided further, That except for necessary reserves authorized by this Act or by section 201, of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the rental or operation of such property shall be covered at the end of each fiscal year into miscellaneous receipts.*

(b) *Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, or Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefore and administrative expenses in connection therewith: Provided, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: And provided further, That except for necessary reserves authorized by this Act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.*

(c) *Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: Provided, That all moneys in said account shall be covered into miscellaneous receipts not later than two (2) years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist.*

STATEMENT SHOWING APPROPRIATION OR CONTRACT AUTHORIZATION AVAILABLE JULY 1, 1945, RESCISSIONS  
RECOMMENDED AND AVAILABILITY REMAINING FOR THE WHOLE FISCAL YEAR PERIOD

TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 289	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
CASH APPROPRIATIONS						
Executive Office of the President:						
Office for Emergency Management:						
Foreign Economic Administration:						
Salaries and expenses-----	\$16, 750, 000	\$3, 437, 042	-----	\$1, 789, 419	\$5, 226, 461	\$11, 523, 539
Penalty mail costs-----	48, 420	12, 440	-----	-----	12, 440	35, 980
National War Labor Board, salaries and expenses-----	13, 320, 000	-----	\$1, 566, 500	-----	1, 566, 500	11, 753, 500
Office of Defense Transportation, salaries and expenses-----	7, 350, 000	3, 075, 000	-----	-----	3, 075, 000	4, 275, 000
Office of Economic Stabilization, salaries and expenses-----	196, 250	16, 780	-----	37, 000	53, 780	142, 470
Office of Inter-American Affairs, salaries and expenses-----	13, 000, 000	-----	1, 500, 000	-----	1, 500, 000	11, 500, 000
Office of Scientific Research and Development, salaries and expenses-----	70, 000, 000	54, 000, 000	1, 325, 000	776, 792	56, 101, 792	13, 898, 208



Office of War Information, salaries and expenses-----	35,000,000	5,662,558	-----	5,000,000	10,662,558	24,337,442
War Manpower Commission:						
General administration-----	11,732,000	-----	71,194	-----	71,194	11,660,806
Apprentice training service (national defense)-----	450,000	131,500	-----	-----	131,500	318,500
Training Within Industry Service (national defense)-----	600,000	125,000	-----	-----	125,000	475,000
Migration of workers-----	800,000	479,000	-----	-----	479,000	321,000
War Production Board, salaries and expenses-----	35,000,000	8,683,200	1,237,210	79,590	10,000,000	25,000,000
War Shipping Administration:						
Revolving fund-----	2,292,524,660	138,700,000	-----	56,752,000	195,452,000	2,097,072,660
Maritime training fund-----	70,601,160	20,000,000	-----	5,000,000	25,000,000	45,601,160
Marine and war-risk insurance fund, revolving fund-----	332,521,859	81,000,000	-----	10,000,000	91,000,000	241,521,859
Office of Censorship, salaries and expenses-----	13,000,000	8,200,000	-----	-----	8,200,000	4,800,000
Office of Price Administration, salaries and expenses-----	174,500,000	21,935,000	3,994,000	-----	25,929,000	148,571,000
Office of Strategic Services, salaries and expenses-----	20,000,000	9,500,000	-----	2,000,000	11,500,000	8,500,000
Petroleum Administration for War, salaries and expenses-----	3,968,200	1,800,000	-----	-----	1,800,000	2,168,200

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—Con.**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Executive Office of the President—Continued						
Emergency funds appropriated to the President:						
Emergency fund for the President, national defense-----	\$58, 935, 122	\$40, 000, 000	\$5, 000, 000	-----	\$45, 000, 000	\$13, 935, 122
Defense aid—lend-lease-----	9, 122, 828, 000	1, 729, 561, 000	-----	\$10, 000, 000	1, 739, 561, 000	7, 383, 267, 000
<b>Independent Offices:</b>						
Civil Service Commission, salaries and expenses (national defense)-----	6, 032, 000	-----	-----	2, 032, 000	2, 032, 000	4, 000, 000
Employees' Compensation Commission:						
Employees' compensation fund--	15, 447, 644	1, 761, 644	-----	-----	1, 761, 644	13, 686, 000
Federal Communications Commission, salaries and expenses (national defense)-----	2, 430, 000	-----	-----	930, 000	930, 000	1, 500, 000
Federal Power Commission, national defense activities-----	110, 000	2, 628	-----	15, 000	17, 628	92, 372

National Advisory Committee for Aeronautics-----	25, 999, 393	2, 000, 000	-----	-----	2, 000, 000	23, 999, 393
Selective Service System, salaries and expenses-----	52, 000, 000	2, 957, 500	-----	-----	2, 957, 500	49, 042, 500
U. S. Maritime Commission: Construction fund, act June 29, 1936, revolving fund-----	2, 013, 789, 530	496, 500, 000	-----	-----	496, 500, 000	1, 517, 289, 530
Federal Security Agency:						
Public Health Service:						
Health and sanitation activities, war and defense areas (national defense)-----	2, 615, 000	392, 568	-----	-----	392, 568	2, 222, 432
Malaria and diseases of tropical origin (national defense)-----	10, 897, 000	1, 862, 501	-----	-----	1, 862, 501	9, 034, 499
Training for nurses (national defense)-----	59, 957, 000	15, 557, 000	-----	-----	15, 557, 000	44, 400, 000
Federal Works Agency:						
Office of the Administrator, war public works (community facilities)-----	38, 317, 591	19, 115, 000	15, 415, 000	-----	13, 700, 000	24, 617, 591
Public Buildings Administration:						
Emergency safeguarding of public buildings and property-----	1, 328, 883	750, 000	-----	-----	750, 000	578, 883
Construction of temporary office buildings, Washington, D. C.-----	206, 294	2 153, 399	-----	-----	2 153, 399	52, 895
Public Roads Administration: Flight strips (national defense)-----	1, 353, 353	318, 008	-----	-----	318, 008	1, 035, 345

<sup>2</sup> Estimated amount; not included in Budget total.

<sup>1</sup> Decrease.



*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Executive Office of the President—Continued						
National Housing Agency:						
Office of the Administrator:						
War housing-----	\$155, 019, 095	\$56, 097, 500	\$18, 257, 500	-----	\$74, 355, 000	\$80, 664, 095
War housing in and near the District of Columbia-----	4, 000, 019	3, 372, 000	-----	-----	3, 372, 000	628, 019
Reserves-----	<sup>3</sup> 75, 000, 000	-----	50, 000, 000	-----	50, 000, 000	25, 000, 000
Department of Agriculture:						
Emergency rubber project-----	5, 778, 790	961, 790	-----	\$688, 000	1, 649, 790	4, 129, 000
War Food Administration, salaries and expenses-----	14, 986, 472	3, 116, 894	-----	-----	3, 116, 894	11, 869, 578
Emergency supplies for Territories and possessions-----	33, 753, 638	15, 000, 000	-----	10, 000, 000	25, 000, 000	8, 753, 638

<sup>3</sup> Estimated.

Department of Commerce:									
Office of the Secretary, salaries and expenses, National Inventors Council service staff-----	75, 000	6, 000	-----	5, 000	11, 000	64, 000			
Office of Administrator of Civil Aeronautics, development of landing areas-----	399, 333, 050	2, 074, 698	-----	2, 925, 302	5, 000, 000	394, 333, 050			
Department of the Interior:									
Office of the Secretary, salaries and expenses, Division of Geography-----	25, 000	-----	-----	20, 000	20, 000	5, 000			
War Relocation Authority, salaries and expenses-----	25, 000, 000	-----	-----	5, 000, 000	5, 000, 000	20, 000, 000			
Office of Fishery Coordination, salaries and expenses-----	212, 500	57, 000	-----	-----	57, 000	155, 500			
Solid Fuels Administration for War, salaries and expenses-----	3, 600, 000	275, 000	-----	-----	275, 000	3, 325, 000			
Bureau of Mines:									
Enforcement of Federal Explosives Act-----	100, 000	27, 900	-----	-----	27, 900	72, 100			
Investigation of raw material resources for steel production (national defense)-----	1, 250, 000	180, 000	-----	-----	180, 000	1, 070, 000			
Construction and equipment of helium plants-----	1, 150, 616	260, 000	-----	-----	260, 000	890, 616			
Manganese beneficiation pilot plants and research (national defense)-----	450, 000	50, 000	-----	-----	50, 000	400, 000			
Production of alumina from low-grade bauxite, alumina clays, and alunite (national defense)-----	650, 000	200, 000	-----	-----	200, 000	450, 000			

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—Con.**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
<b>Department of the Interior—Continued</b>						
<b>Bureau of Mines—Continued</b>						
Investigation of bauxite and alunite ores and aluminum clay deposits (national defense) -----	\$500, 000	\$350, 000	-----	-----	\$350, 000	\$150, 000
Magnesium pilot plants and research (national defense) -----	400, 000	150, 000	-----	-----	150, 000	250, 000
Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense) -----	2, 100, 000	420, 000	-----	-----	420, 000	1, 680, 000
<b>Department of Justice:</b>						
Legal activities and general administration:						
War Division, Salaries and expenses.	390, 000	100, 000	-----	-----	100, 000	290, 000
Federal Bureau of Investigation, salaries and expenses, detection and prosecution of crimes (emergency) -----	27, 829, 000	2, 480, 000	-----	-----	2, 480, 000	25, 349, 000



Department of Labor:					
Office of the Secretary:					
Salaries and expenses (national defense)-----	63, 000	1, 388	-----	-----	1, 388
Salaries and expenses, safety and health program (national defense)-	149, 215	60, 000	-----	-----	60, 000
Children's Bureau:					
Grants to States for emergency maternity and infant care (national defense)-----	44, 189, 500	-----	\$8, 113, 600	-----	8, 113, 600
War—Civil functions:					
The Panama Canal, maintenance and operation of the Panama Canal-----	24, 859, 839	3, 205, 855	-----	\$1, 794, 145	5, 000, 000
Total, title I—Executive office of the President, independent offices, and executive departments-----	15, 344, 474, 093	2, 756, 134, 793	85, 650, 004	114, 844, 248	2, 956, 629, 045
CONTRACTUAL AUTHORIZATIONS					
Defense aid—Lend-lease-----	600, 000, 000	600, 000, 000	-----	-----	600, 000, 000
U. S. Maritime Commission: Construction fund-----	600, 963, 502	190, 000, 000	135, 900, 000	-----	325, 900, 000
Public Roads Administration:					
Strategic highway network-----	26, 684, 494	1, 484, 363	-----	-----	1, 484, 363
Access roads-----	56, 043, 214	3, 076, 845	-----	-----	3, 076, 845
Total, contractual authorizations-----	1, 283, 691, 210	794, 561, 208	135, 900, 000	-----	930, 461, 208
Grand total, title I-----	16, 628, 165, 303	3, 550, 696, 001	221, 550, 014	114, 844, 248	3, 887, 090, 253
					12,741,075, 050

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

# TITLE II—MILITARY ESTABLISHMENT

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 290	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS</b>						
Office of Secretary of War:						
Contingencies of the Army, 1942-46-----	\$27, 829, 151	\$9, 000, 000	-----	\$3, 829, 151	\$12, 829, 151	\$15, 000, 000
Expediting production of equipment and supplies for national defense, 1940-46-----	728, 091, 094	257, 892, 000	-----	25, 000, 000	282, 892, 000	445, 199, 094
General Staff Corps:						
Contingent fund, Chief of Staff, Army, 1942-46-----	129, 335, 489	100, 000, 000	-----	24, 335, 489	124, 335, 489	5, 000, 000
Special field exercises, Army, 1942-46-----	55, 942, 879	49, 800, 000	-----	1, 446, 874	51, 246, 874	4, 696, 005
Finance Department:						
Expenses of courts martial-----	653, 158	36, 000	-----	-----	36, 000	617, 158
Apprehension of deserters-----	834, 569	171, 000	-----	-----	171, 000	663, 569
Quartermaster Corps:						
Welfare of enlisted men-----	73, 070, 630	-----	-----	10, 000, 000	10, 000, 000	63, 070, 630
Subsistence of the Army-----	3, 544, 930, 494	1, 497, 310, 000	\$60, 371, 479	204, 400, 000	1, 762, 081, 479	1, 782, 849, 015
Regular supplies of the Army-----	1, 098, 923, 469	551, 018, 000	10, 000, 000	-----	561, 018, 000	537, 905, 469

Clothing and equipage-----	2, 560, 042, 540	1, 541, 225, 000	22, 000, 000	1, 563, 225, 000	996, 817, 540
Horses, draft and pack animals-----	1, 957, 783	1, 670, 000	-----	1, 670, 000	287, 783
Army transportation-----	256, 084, 401	5, 000, 000	-----	42, 000, 000	209, 084, 401
Transportation Corps: Transportation service, Army, 1945-46-----	2, 280, 999, 275	654, 268, 000	40, 000, 000	10, 000, 000	1, 576, 731, 275
Signal Corps: Signal Service of the Army, 1942-46-----	3, 067, 149, 881	1, 854, 434, 000 <sup>1</sup>	175, 000, 000	-----	1, 387, 715, 881
Air Corps, Army, 1942-46-----	22, 439, 101, 841	10, 434, 713, 000 <sup>2</sup>	372, 000, 000 <sup>3</sup>	1, 359, 600, 000	10, 272, 788, 841
Medical Department: Medical and Hospital Department, Army, 1942-46-----	541, 540, 096	263, 039, 000	5, 000, 000	-----	273, 501, 096
Corps of Engineers:					
Engineer service-----	4, 064, 046, 126	2, 011, 648, 000	42, 760, 571	-----	2, 054, 408, 571
Military posts-----	447, 517, 777	148, 255, 000	-----	-----	148, 255, 000
Barracks and quarters, Army-----	624, 104, 201	52, 860, 000	76, 000, 000	18, 000, 000	477, 244, 201
Ordnance Department: Ordnance service and supplies, Army, 1942-46-----	11, 433, 801, 191	8, 283, 425, 000	-----	16, 575, 000	3, 133, 801, 191
Chemical Warfare Service, Army, 1942-46-----	1, 308, 587, 078	955, 870, 000	42, 000, 000	-----	997, 870, 000
Special service schools:					
Infantry school-----	667, 560	81, 000	-----	-----	81, 000
Cavalry activities-----	144, 164	22, 700	-----	-----	22, 700
Field Artillery activities-----	690, 757	74, 300	-----	-----	74, 300

<sup>1</sup> Retraction.<sup>2</sup> Applicable to "Pay of the Army."<sup>3</sup> \$795,600,000 applicable to "Pay of the Army."



*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE II—MILITARY ESTABLISHMENT—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 290	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Seacoast defenses, general, 1942-46-----	\$22, 235, 351	\$1, 664, 000	-----	-----	\$1, 664, 000	\$20, 571, 351
U. S. Military Academy: Pay of Military Academy, 1942-46-----	1, 988, 067	21, 000	-----	-----	21, 000	1, 967, 067
Inter-American Relations, War Department, 1943-46-----	602, 471	75, 000	-----	-----	75, 000	527, 471
Office of the Secretary:						
Contingent expenses, War Department, 1942-46-----	8, 303, 785	1, 200, 000	-----	-----	1, 200, 000	7, 103, 785
Printing and binding, War Department, 1942-46-----	68, 608, 652	18, 000, 000	-----	-----	18, 000, 000	50, 608, 652
Total, title II, Military Establishment (all cash)-----	54, 787, 783, 930	28, 692, 772, 000	\$495, 132, 050	\$1, 715, 186, 514	30, 903, 090, 564	23, 884, 693, 366

## TITLE III—NAVAL ESTABLISHMENT

CASH APPROPRIATIONS							
Office of the Secretary of the Navy:							
Miscellaneous expenses, Navy, 1946	\$40,500,000	\$10,800,000	-----	\$2,200,000		\$13,000,000	\$27,500,000
Contingent, Navy, 1946	145,000	20,000	-----	-----		20,000	125,000
Naval emergency fund, 1946	4,000,000	2,500,000	-----	500,000		3,000,000	1,000,000
Naval Research Laboratory, 1946	4,390,000	90,000	-----	-----		90,000	4,300,000
Operation and conservation of naval petroleum reserves, 1946	8,755,000	18,000	-----	-----		18,000	8,737,000
Bureau of Naval Personnel:							
Training, education, and welfare, Navy:							
Naval training station, Great Lakes, Ill., 1946	5,700,000	700,000	-----	-----		700,000	5,000,000
Naval training station, Port Deposit, Md., 1946	4,038,000	500,000	-----	-----		500,000	3,538,000
Fleet training, Navy, 1946	320,000	78,000	-----	-----		78,000	242,000
Instruction, Navy, 1946	23,000,000	6,000,000	-----	3,000,000		9,000,000	14,000,000
Libraries, Navy, 1946	2,877,196	877,000	-----	375,935		1,252,935	1,624,261
Welfare and recreation, Navy, 1946	15,124,000	3,124,000	-----	1,000,000		4,124,000	11,000,000
Miscellaneous expenses, Bureau of Naval Personnel, 1946	90,000	20,000	-----	-----		20,000	70,000
Naval Reserve, 1946	138,000,000	43,362,000	-----	6,638,000		50,000,000	88,000,000

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

### TITLE III—NAVAL ESTABLISHMENT—Continued

Agency and appropriation—continued	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 286	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
CASH APPROPRIATIONS—continued						
Bureau of Ships:						
Maintenance, Bureau of Ships, 1946-----	\$2, 790, 000, 000	\$1, 300, 000, 000	-----	\$168,000,000	\$1, 468, 000, 000	\$1,322,000,000
Defense installations on merchant vessels, Navy-----	21, 458, 123	13, 658, 123	-----	-----	13, 658, 123	7, 800, 000
Bureau of Ordnance: Ordnance and ordnance stores, Navy, 1946-----	3, 000, 000, 000	2, 550, 451, 000	-----	49, 549, 000	2, 600, 000, 000	400, 000, 000
Bureau of Supplies and Accounts:						
Pay and subsistence of naval personnel, 1946-----	6, 736, 227, 000	822, 851, 000	\$153,634,875	140, 883, 325	1, 117, 369, 200	5, 618, 857, 800
Maintenance, 1946-----	503, 347, 800	51, 314, 000	496, 000	29, 504, 000	81, 314, 000	422, 033, 800
Transportation of things, Navy, 1946-----	550, 000, 000	109, 045, 000	5, 991, 282	25, 000, 000	140, 036, 282	409, 963, 718
Fuel, Navy, 1946-----	250, 000, 000	72, 183, 000	505, 000	27, 312, 000	100, 000, 000	150, 000, 000
Bureau of Medicine and Surgery: Medical Department, Navy, 1946-----	120, 000, 000	30, 000, 000	-----	-----	30, 000, 000	90, 000, 000
Bureau of Yards and Docks:						
Maintenance, 1946-----	150, 000, 000	1, 000, 000	-----	14, 000, 000	15, 000, 000	135, 000, 000
Public Works, cash-----	1, 579, 231, 400	400, 000, 000	-----	-----	400, 000, 000	1, 179, 231, 400



Bureau of Aeronautics: Aviation, Navy, 1946-----	2, 481, 050, 000	1, 404, 300, 000	7, 648, 300	69, 751, 700	1, 481, 300, 000	999, 750, 000
Marine Corps:						
Pay, 1946-----	751, 630, 000	26, 902, 890	43, 010, 370	-----	69, 913, 260	681, 716, 740
General expenses, 1946-----	647, 447, 000	279, 099, 439	23, 077, 692	7, 822, 869	310, 000, 000	337, 447, 000
Increase and replacement of naval vessels:						
Construction and machinery, cash-----	3, 297, 807, 551	732, 104, 151	-----	-----	732, 104, 151	2, 565, 703, 400
Armor, armament, and ammunition, cash-----	1, 351, 876, 967	276, 876, 967	-----	-----	276, 876, 967	1, 075, 000, 000
Emergency construction, cash-----	367, 115, 570	38, 385, 489	-----	-----	38, 385, 489	228, 730, 081
Repair facilities, Navy, cash-----	151, 266, 050	38, 266, 050	-----	-----	38, 266, 050	113, 000, 000
Coast Guard:						
Pay and allowances, 1946-----	393, 737, 800	73, 211, 314	-----	6, 788, 686	80, 000, 000	313, 737, 800
General expenses, 1946-----	62, 285, 000	13, 679, 000	-----	6, 321, 000	20, 000, 000	42, 285, 000
Establishing and improving aids to navigation-----	2, 019, 649	346, 000	-----	-----	346, 000	1, 673, 649
Acquisition of vessels and shore facilities-----	61, 837, 258	2, 741, 000	-----	-----	2, 741, 000	59, 096, 258
Emergency construction, vessels and shore facilities (Navy), cash-----	807, 672	231, 000	-----	-----	231, 000	576, 672
Special projects, vessels (Navy) cash-----	182, 551	127, 000	-----	-----	127, 000	55, 551
Special projects, aids to navigation, light-house (Navy), cash-----	67, 975	28, 699	-----	-----	28, 699	39, 276
Special projects, aids to navigation (Navy), cash-----	1, 729, 336	556, 000	-----	-----	556, 000	1, 173, 336

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE III—NAVAL ESTABLISHMENT—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 286	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Navy Department:						
Contingent and miscellaneous expenses, Hydrographic Office, 1946-----	\$3, 790, 000	\$413, 000	-----	-----	\$413, 000	\$3, 377, 000
Various appropriations, Naval Establishment and Navy Department, fiscal year 1945 and prior years-----	45, 824, 727, 916	5, 306, 252, 674	-----	-----	5, 306, 252, 674	40, 518, 475, 242
Total, title III, Naval Establishment, cash appropriations, 1946 and prior fiscal years-----	71, 346, 581, 814	13, 612, 111, 796	\$234, 363, 519	\$558, 246, 515	14, 404, 721, 830	56, 941, 859, 984
<b>CONTRACTUAL AUTHORIZATIONS</b>						
Public works-----	1, 664, 046, 697	1, 184, 880, 000	-----	45, 000, 000	1, 229, 880, 000	434, 166, 697
Aviation, Navy-----	2, 000, 000, 000	2, 000, 000, 000	-----	-----	2, 000, 000, 000	-----
Repair facilities, Navy-----	40, 633, 533	27, 562, 131	-----	-----	27, 562, 131	13, 071, 402
Total, contractual authorizations-----	3, 704, 680, 230	3, 212, 442, 131	-----	45, 000, 000	3, 257, 442, 131	447, 238, 099
Grand total, title III-----	75, 051, 262, 044	16, 824, 553, 927	234, 363, 519	603, 239, 515	17, 662, 163, 961	57, 389, 098, 083







**NOTICE:** This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

**[FULL COMMITTEE PRINT]**

**Union Calendar No.**

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R.** 4407

[Report No.      ]

**IN THE HOUSE OF REPRESENTATIVES**

OCTOBER 17, 1945

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

**A BILL**

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

- 1      *Be it enacted by the Senate and House of Representa-*
- 2      *tives of the United States of America in Congress assembled,*
- 3      That the appropriations and contractual authorizations of the
- 4      departments and agencies available in the fiscal year 1946,
- 5      and prior year unreverted appropriations, are hereby reduced
- 6      in the sums hereinafter set forth, such sums to be carried to

1 the surplus fund and covered into the Treasury immediately  
 2 upon the approval of this Act:

3 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
 4 DENT, INDEPENDENT OFFICES, AND EXECU-  
 5 TIVE DEPARTMENTS

6 EXECUTIVE OFFICE OF THE PRESIDENT

7 OFFICE FOR EMERGENCY MANAGEMENT

8 Foreign Economic Administration:

9 Salaries and expenses, \$5,226,461, and limitations  
 10 under this head are hereby decreased as follows: (1)  
 11 Travel within continental United States from “\$234,-  
 12 000” to “\$150,000”, (2) reimbursement to employees  
 13 for emergency or extraordinary expenses from “\$75,-  
 14 000” to “\$40,000”, and (3) expenses of a confidential  
 15 character from “\$1,200,000” to “\$25,000”.

16 Penalty mail costs, \$12,440.

17 National War Labor Board:

18 Salaries and expenses, \$1,566,500.

19 Office of Defense Transportation:

20 Salaries and expenses, \$3,075,000, and limitations  
 21 under this head are hereby decreased as follows: (1)  
 22 Traveling expenses from “\$452,500” to “\$150,000”,  
 23 (2) printing and binding from “\$47,500” to “\$14,000”  
 24 (of which the amount available outside continental  
 25 United States is decreased from “\$1,800” to “\$500”),

#180  
 3,437,012

and (3) penalty mail costs from “\$118,900” to “\$53,000”.

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from “\$2,250” to “\$1,500”, (2) traveling expenses from “\$4,500” to “\$4,000”, and (3) printing and binding from “\$2,000” to “\$1,600”.

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$10,662,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from “\$45,800” to “\$25,000”, (2) travel within continental United States from “\$267,500” to “\$230,000”, (3) printing and binding within continental United States from “\$1,000,000” to “\$550,000”, and (4) to meet emergencies of a confidential character from “\$250,000” to “\$40,000”.

War Manpower Commission:

General administration, \$71,194.

11,523,529 (2000 of 1946) 1,946  
 To Oct 20, 1946. 5,226,461  
 11,523,529  
 \$16,750,000  
 \$16,750,000  
 \$5,950,000  
 (724)



1           Apprentice training service (national defense),  
2           \$131,500, and the balance to remain available until  
3           December 31, 1945.

4           Training Within Industry Service (national de-  
5           fense), \$125,000, and the balance to remain available  
6           until December 31, 1945.

7           Migration of workers, \$479,000.

8           War Production Board:

9           Salaries and expenses, \$10,000,000, and limitations  
10          under this head are hereby decreased as follows: (1)  
11          travel expenses from "\$1,944,000" to "\$954,000",  
12          (2) penalty mail costs from "\$210,000" to  
13          "\$105,000", (3) printing and binding from "\$648,-  
14          000" to "\$346,000", and (4) salary of the head of the  
15          agency from "\$15,000" to "\$12,000", except that so  
16          long as the position is held by the present incumbent  
17          the salary shall remain at \$15,000.

18          War Shipping Administration:

19                Revolving fund, \$195,452,000.

20                Maritime training fund, \$25,000,000.

21                Marine and war risk insurance fund, revolving fund,  
22                \$91,000,000.

1 Office of Censorship: Salaries and expenses, \$8,200,000.

2 Office of Price Administration:

3 Salaries and expenses, \$25,929,000, and limitations  
4 under this head are hereby decreased as follows: (1)  
5 Printing and binding from "\$1,470,000" to "\$961,064",  
6 (2) traveling expenses from "\$7,949,700" to "\$6,-  
7 780,000", and (3) penalty mail costs from "\$5,-  
8 210,550" to "\$3,085,000".

9 Office of Strategic Services:

10 Salaries and expenses, \$11,500,000, and limitations  
11 under this head are hereby decreased as follows: (1)  
12 expenditures without regard to provisions of law and  
13 regulations from "\$10,500,000" to "\$2,000,000", and  
14 (2) expenditures for objects of a confidential nature  
15 from "\$10,000,000" to "\$1,750,000".

16 Petroleum Administration for War:

17 Salaries and expenses, \$1,800,000, and limitations  
18 under this head are hereby decreased as follows: (1)  
19 personal services without regard to civil-service and  
20 classification laws from "\$250,000" to "\$125,000",  
21 and (2) travel expenses from "\$263,700" to  
22 "\$100,000".

1        Selective Service System: Salaries and expenses, \$2,-  
2    957,500.

3        United States Maritime Commission: Construction fund,  
4    Act June 29, 1936, revolving fund, \$496,500,000.

5                                FEDERAL SECURITY AGENCY

6        Public Health Service:

7            Health and sanitation activities, war and defense  
8        areas (national defense), \$392,568.

9            Malaria and diseases of tropical origin (national de-  
10        fense), \$1,862,501.

11           Training for nurses (national defense), \$15,557,000,  
12        and the limitation on the amount which may be expended  
13        for administrative expenses is hereby decreased from  
14        "\$788,255" to "\$611,322".

15                                FEDERAL WORKS AGENCY

16        Office of the Administrator: War public works (com-  
17        munity facilities), \$13,700,000.

18        Public Buildings Administration:

19           Emergency safeguarding of public buildings and  
20        property, \$750,000.

21           Construction of temporary office buildings, Washing-  
22        ton, District of Columbia, unobligated balance.

23        Public Roads Administration: Flight strips (national de-  
24        fense), \$318,008.

## NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia,  
\$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting “(a)” after the figures “303”, and adding the following new subsections:

“(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the re-



1    removal of any such temporary housing may be deposited in a  
2    common fund account or accounts in the Treasury: *And pro-*  
3    *vided further*, That except for necessary reserves authorized  
4    by this Act or by section 201 of the Second Supplemental  
5    National Defense Appropriation Act, 1941, as amended, the  
6    unobligated balances of the moneys deposited into the Treas-  
7    ury from the disposition of any such property or the removal  
8    of any such temporary housing shall be covered at the end of  
9    each fiscal year into miscellaneous receipts.

10        “(c) Moneys in the reserve account established by the  
11    National Housing Administrator pursuant to subsections (a)  
12    and (b) of this section 303 shall not exceed \$25,000,000  
13    at any time: *Provided*, That all moneys in said account shall  
14    be covered into miscellaneous receipts not later than two  
15    years after the President shall have declared that the emer-  
16    gency declared by him on September 8, 1939, has ceased  
17    to exist.”

18        In all, independent offices, \$666,505,849.

19                                EXECUTIVE DEPARTMENTS

20    [Non-War]

21    DEPARTMENT OF AGRICULTURE

22        Emergency rubber project, \$1,649,790, and the balance  
23    remaining shall be used to liquidate such project, including  
24    the elimination of the remaining plantations, the rehabilita-  
25    tion and return of leased lands to the owners and the disposal

1 of other property according to law, and for the continuation  
2 of the production, breeding, and disease phases of guayule  
3 research on indicator plots and experimental areas until  
4 June 30, 1946.

5 War Food Administration: Salaries and expenses,  
6 \$3,116,894.

7 Emergency supplies for Territories and possessions,  
8 \$25,000,000.

9 The following appropriations shall be so administered  
10 as to avoid the incurrence of deficiencies therein except for  
11 such added expense occasioned by the Federal Employees  
12 Pay Act of 1945 as it may not be practicable to absorb,  
13 namely:

14 Bureau of Agricultural Economics, salaries and expenses  
15 (crop and livestock estimates).

16 Office of Foreign Agricultural Relations, salaries and  
17 expenses.

18 Agricultural Research Administration:

19 Bureau of Animal Industry, salaries and expenses  
20 (meat inspection) ;

21 Bureau of Plant Industry, Soils, and Agricultural  
22 Engineering, salaries and expenses (fruit, vegetable, and  
23 specialty crops) ;

24 Bureau of Entomology and Plant Quarantine, sala-  
25 ries and expenses (foreign plant quarantine).

1 Forest Service:

2 Salaries and expenses (national forest protec-  
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National  
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-  
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered  
11 as to avoid the incurrence of deficiencies therein except for  
12 such added expense occasioned by the Federal Employees  
13 Pay Act of 1945 as it may not be practicable to absorb,  
14 namely:

15 Coast and Geodetic Survey, salaries and expenses, de-  
16 partmental;

17 Patent Office, salaries;

18 Weather Bureau, salaries and expenses.

19 DEPARTMENT OF THE INTERIOR

20 Office of the Secretary: Salaries and expenses, Division  
21 of Geography, \$20,000.

22 War Relocation Authority: Salaries and expenses,  
23 War Relocation Authority, Department of the Interior,  
24 \$5,000,000.

1 Office of Fishery Coordination: Salaries and expenses,  
2 \$57,000.

3 Solid Fuels Administration for War:

4 Salaries and expenses, \$275,000, and on April 1,  
5 1946, the sum of \$150,000 of said appropriation shall  
6 be transferred to the appropriation "Economics of  
7 mineral industries", Bureau of Mines, and the limitation  
8 in said latter appropriation for personal services in the  
9 District of Columbia shall be increased from "397,500"  
10 to "\$529,000".

11 Bureau of Mines

12 Enforcement of Federal Explosives Act, \$27,900.

13 Investigation of raw-material resources for steel pro-  
14 duction (national defense), \$180,000.

15 Construction and equipment of helium plants, \$260,000.

16 Manganese beneficiation pilot plants and research (na-  
17 tional defense), \$50,000.

18 Production of alumina from low-grade bauxite, aluminum  
19 clays and alunite (national defense), \$200,000.

20 Investigation of bauxite and alunite ores and aluminum  
21 clay deposits (national defense), \$350,000.

22 Magnesium pilot plants and research (national de-  
23 fense), \$150,000.

24 Investigation of deposits of critical and essential minerals



1 in the United States and its possessions (national defense),  
2 \$420,000.

3 DEPARTMENT OF JUSTICE

4 Legal activities and general administration: Salaries and  
5 expenses, War Division, \$100,000.

6 Federal Bureau of Investigation: Salaries and expenses,  
7 detection and prosecution of crimes (emergency), \$2,-  
8 480,000.

9 DEPARTMENT OF LABOR

10 Office of the Secretary:

11 Salaries and expenses (national defense), \$1,388.

12 Salaries and expenses, safety and health program  
13 (national defense), \$60,000.

14 Children's Bureau:

15 Grants to States for emergency maternity and infant  
16 care (national defense), \$8,113,600: *Provided*, That  
17 such reduced amount shall not affect the amount to be  
18 allotted to the States for administrative expenses as  
19 authorized in the Department of Labor Appropriation  
20 Act, 1946.

21 WAR DEPARTMENT

22 The Panama Canal: Maintenance and operation of the  
23 Panama Canal, \$5,000,000.

24 In all, executive departments, \$49,408,972.

25 In all, title I, \$2,948,362,046.

## 1                   Miscellaneous Provisions, Title I

## 2                   REDUCTIONS IN CONTRACT AUTHORIZATIONS

3           Contract authorizations of the departments and agencies  
4 available in the fiscal year 1946 are hereby reduced in the  
5 sums hereinafter set forth:

## 6                   EXECUTIVE OFFICE OF THE PRESIDENT

7           Emergency funds appropriated to the President: Defense  
8 aid—lend-lease, \$600,000,000.

## 9                   INDEPENDENT OFFICES

10          United States Maritime Commission: Construction fund,  
11 Act June 29, 1936, revolving fund, \$325,900,000.

## 12                   FEDERAL WORKS AGENCY

13          Public Roads Administration:

14               Strategic highway network, \$1,484,363.

15               Access roads, \$3,076,845.

## 16                   REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

## 17                   EXPENSES

18          Limitations on amounts from funds of corporations and  
19 other agencies for administrative expenses are hereby re-  
20 duced in the following sums:

## 21                   EXECUTIVE OFFICE OF THE PRESIDENT

22          Office for Emergency Management: Foreign Economic  
23 Administration, Rubber Development Corporation, \$249,500.

24          Alien Property Custodian, \$500,000.

1 War Shipping Administration:

2 Revolving fund, \$4,312,000.

3 Maritime training fund, \$519,357.

4 INDEPENDENT OFFICES

5 Smaller War Plants Corporation:

6 Administrative expenses, \$1,550,000, and the limita-  
7 tion under this head on the amount for penalty-mail costs  
8 is hereby decreased from "\$50,000" to "\$40,000".

9 United States Maritime Commission:

10 Construction fund, Act June 29, 1936, revolving  
11 fund, \$2,687,450.

12 EXTENDING AVAILABILITY OF APPROPRIATIONS

13 The following appropriations for the fiscal year 1946  
14 are hereby continued available until June 30, 1946, except  
15 as modified in this title.

16 Executive Office of the President:

17 Bureau of the Budget, national defense activities,  
18 independent offices:

19 Civil Service Commission, salaries and expenses  
20 (national defense).

21 Federal Communications Commission, salaries  
22 and expenses (national defense).

23 Federal Power Commission: National defense ac-  
24 tivities.

1 Federal Security Agency:

2 Office of the Administrator:

3 Salaries and expenses, Office of Community

4 War Services;

5 Expenses, temporary aid to enemy aliens and  
6 other restricted persons.

7 Department of the Interior:

8 Office of the Secretary:

9 Salaries and expenses, Division of Geography,

10 Department of the Interior.

11 CORPORATE FUNDS TO BE TRANSFERRED TO THE

12 TREASURY

13 EXECUTIVE OFFICE OF THE PRESIDENT

14 Office for Emergency Management:

15 Office of Inter-American Affairs: The Director of  
16 the Office of Inter-American Affairs is hereby directed  
17 to deposit in the Treasury of the United States as mis-  
18 cellaneous receipts the following sums representing ex-  
19 cess funds of corporations created by the Coordinator of  
20 Inter-American Affairs under authority of law:

21 Institute of Inter-American Transportation,

22 \$315,500.

23 Prencinradio, Incorporated, \$875,000.



## GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

## TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-1946,  
\$12,829,151.

Expediting Production of Equipment and Supplies  
for National Defense, 1940-1946, \$282,892,000.

### General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946,  
\$124,335,489.

Special Field Exercises, Army, 1942-1946,  
\$51,246,874.

Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$36,000; and (2) Apprehension of deserters, \$171,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, \$3,944,-  
994,479, and subappropriations under this head are  
hereby decreased as follows: (1) Welfare of enlisted  
men, \$10,000,000; (2) subsistence of the Army,  
\$1,762,081,479; (3) regular supplies of the Army,  
\$561,018,000; (4) clothing and equipage, \$1,563,-  
225,000; (5) horses, draft and pack animals, \$1,670,-  
000; and (6) Army transportation, \$47,000,000.

Transportation Corps:

Transportation Service, Army, 1945-1946, \$704,-  
268,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$1,679,-  
434,000.

Air Corps:

Air Corps, Army, 1942-1946, \$12,166,313,000.

Medical Department:

Medical and Hospital Department, Army, 1942-  
1946, \$268,039,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, \$2,349,523,-  
571, and subappropriations under this head are hereby  
decreased as follows: (1) Engineer Service, \$2,054,-

1 408,571; (2) Military posts, \$148,255,000; and (3)  
2 Barracks and quarters, Army, \$146,860,000.

3 Ordnance Department:

4 Ordnance Service and Supplies, Army, 1942-1946,  
5 \$8,300,000,000.

6 Chemical Warfare Service:

7 Chemical Warfare Service, Army, 1942-1946,  
8 \$997,870,000.

9 Special Service Schools:

10 Special Service Schools, Army, 1942-1946,  
11 \$178,000, and subappropriations under this head are  
12 hereby decreased as follows: (1) Infantry School,  
13 \$81,000; (2) Cavalry activities, \$22,700; and (3)  
14 Field Artillery activities, \$74,300.

15 Seacoast defenses:

16 Seacoast defenses, general, 1942-1946, \$1,664,000.

17 United States Military Academy: Pay of Military  
18 Academy, 1942-1946, \$21,000.

19 Inter-American Relations, War Department: Inter-  
20 American Relations, War Department, 1943-1946, \$75,000.

21 Office of the Secretary:

22 Contingent expenses, War Department, 1942-1946,  
23 \$1,200,000.

24 Printing and binding, War Department, 1942-1946,  
25 \$18,000,000.

## TRANSFER OF APPROPRIATIONS

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kansas, \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Illinois, \$5,719;

Instruction in armored force activities, \$389,756;

Maintenance and Operation, United States Military Academy, \$1,323,884.

## GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War; for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment



1 and settlement of mileage accounts of officers pursuant to  
2 the provisions of the Act of June 12, 1906, as amended  
3 (34 Stat. 246; 10 U. S. C. 870).

4 In all, title II, \$30,903,090,564.

5 TITLE III—NAVAL ESTABLISHMENT

6 Office of the Secretary:

7 Miscellaneous expenses, Navy:

8 Fiscal year 1944, \$2,323,605.

9 Fiscal year 1945, \$671,805.

10 Fiscal year 1946, \$13,000,000.

11 Contingent, Navy:

12 Fiscal year 1944, \$74,000.

13 Fiscal year 1945, \$49,000.

14 Fiscal year 1946, \$20,000.

15 Naval emergency fund:

16 Fiscal year 1945, \$25,477.

17 Fiscal year 1946, \$3,000,000.

18 Naval Research Laboratory:

19 Fiscal year 1944, \$5,185.

20 Fiscal year 1945, \$3,002.

21 Fiscal year 1946, \$90,000.

22 Operation and conservation of naval petroleum reserves:

23 Fiscal year 1944, \$6,986.

24 Fiscal year 1945, \$6,353.

25 Fiscal year 1946, \$18,000.

- 1 Ocean and lake surveys, Navy:
- 2 Fiscal year 1944, \$6,677.
- 3 Fiscal year 1945, \$21,298.
- 4 Bureau of Naval Personnel:
- 5 Naval War College:
- 6 Fiscal year 1944, \$4,521.
- 7 Fiscal year 1945, \$2,886.
- 8 Naval Training Station, San Diego, California:
- 9 Fiscal year 1944, \$232,338.
- 10 Fiscal year 1945, \$327,515.
- 11 Naval Training Station, Newport, Rhode Island:
- 12 Fiscal year 1944, \$823.
- 13 Fiscal year 1945, \$256.
- 14 Naval Training Station, Great Lakes, Illinois:
- 15 Fiscal year 1944, \$459,244.
- 16 Fiscal year 1945, \$29,510.
- 17 Fiscal year 1946, \$700,000.
- 18 Naval Training Station, Norfolk, Virginia:
- 19 Fiscal year 1944, \$4,488.
- 20 Fiscal year 1945, \$14,879.
- 21 Naval Training Station, Lake Pend Oreille, Idaho:
- 22 Fiscal year 1944, \$54,790.
- 23 Fiscal year 1945, \$604,708.
- 24 Naval Training Station, Lake Seneca, New York:
- 25 Fiscal year 1944, \$38,894.

- 1           Fiscal year 1945, \$3,209.
- 2       Naval Training Station, Port Deposit, Maryland:
- 3           Fiscal year 1945, \$2,794.
- 4           Fiscal year 1946, \$500,000.
- 5       Fleet Training, Navy:
- 6           Fiscal year 1944, \$11,108.
- 7           Fiscal year 1945, \$164,695.
- 8           Fiscal year 1946, \$78,000.
- 9       Instruction, Navy:
- 10          Fiscal year 1944, \$2,151,364.
- 11          Fiscal year 1945, \$120,000.
- 12          Fiscal year 1946, \$9,000,000.
- 13       Libraries, Navy:
- 14          Fiscal year 1944, \$145,920.
- 15          Fiscal year 1945, \$1,693.
- 16          Fiscal year 1946, \$1,252,935.
- 17       Welfare and Recreation, Navy:
- 18          Fiscal year 1944, \$903,681.
- 19          Fiscal year 1946, \$4,124,000.
- 20       Naval Reserve Officers' Training Corps:
- 21          Fiscal year 1944, \$237,300.
- 22          Fiscal year 1945, \$88,337.
- 23       Miscellaneous expenses, Bureau of Naval Personnel:
- 24          Fiscal year 1944, \$3,009.
- 25          Fiscal year 1945, \$124.

- 1 Fiscal year 1946, \$20,000.
- 2 Naval Reserve:
- 3 Fiscal year 1944, \$54,961,800.
- 4 Fiscal year 1945, \$24,511,154.
- 5 Fiscal year 1946, \$50,000,000.
- 6 Pay, Naval Academy:
- 7 Fiscal year 1944, \$88,394.
- 8 Fiscal year 1945, \$93,796.
- 9 Maintenance, Naval Academy:
- 10 Fiscal year 1944, \$6,877.
- 11 Fiscal year 1945, \$2,529.
- 12 Naval Home, Philadelphia, Pennsylvania:
- 13 Fiscal year 1944, \$610.
- 14 Fiscal year 1945, \$1,250.
- 15 Naval Prison Farms and Prison Personnel:
- 16 Fiscal year 1944, \$10.
- 17 Fiscal year 1945, \$5,100.
- 18 Bureau of Ships:
- 19 Maintenance, Bureau of Ships:
- 20 Fiscal year 1942, \$43,907,135.
- 21 Fiscal year 1942-43, \$51,956,375.
- 22 Fiscal year 1943, \$64,050,351.
- 23 Fiscal year 1944, \$52,247,000.
- 24 Fiscal year 1945, \$118,474,000.
- 25 Fiscal year 1946, \$1,468,000,000.



1 Defense installations on merchant vessels, Navy, \$13,-  
2 658,123.

3 Bureau of Ordnance:

4 Ordnance and ordnance stores, Navy:

5 Fiscal year 1944, \$551,226,542.

6 Fiscal year 1945, \$1,208,752,767.

7 Fiscal year 1946, \$2,600,000,000.

8 Bureau of Supplies and Accounts:

9 Pay, subsistence, and transportation, Navy, 1944, \$128,-  
10 214,285.

11 Pay and subsistence of naval personnel, 1946,  
12 \$1,117,369,200.

13 Maintenance, Bureau of Supplies and Accounts, 1946,  
14 \$81,314,000.

15 Transportation of things, Navy, 1946, \$140,036,282.

16 Fuel, Navy, 1946, \$100,000,000.

17 Bureau of Medicine and Surgery:

18 Medical Department, Navy:

19 Fiscal year 1944, \$14,017,195.

20 Fiscal year 1945, \$12,238,592.

21 Fiscal year 1946, \$30,000,000.

22 Bureau of Yards and Docks:

23 Maintenance, Bureau of Yards and Docks:

24 Fiscal year 1944, \$2,431,496.

25 Fiscal year 1945, \$3,139,211.

1 Fiscal year 1946, \$15,000,000.

2 Public Works, Bureau of Yards and Docks, \$400,-  
3 000,000, and the contract authorization for "Public Works,  
4 Bureau of Yards and Docks" available in the fiscal year  
5 1946 is hereby reduced in the sum of \$1,229,880,000:  
6 *Provided*, That of this amount \$946,000,000 shall apply  
7 against advance base construction, material and equipment.

8 Bureau of Aeronautics:

9 Aviation, Navy:

10 Fiscal year 1943, \$256,482,489.

11 Fiscal year 1943-44, \$193,929,557.

12 Fiscal year 1944, \$811,987,405.

13 Fiscal year 1945, \$1,468,753,102.

14 Fiscal year 1946, \$1,481,300,000, and subappro-  
15 priations under this head are hereby decreased as fol-  
16 lows: (1) New construction and procurement of aircraft  
17 and equipment, spare parts, and so forth, from "\$799,-  
18 128,500" to "\$135,765,200", (2) replacement of navi-  
19 gational and radio equipment for aircraft in service, and  
20 so forth, from "\$168,808,200" to "\$44,934,000", (3)  
21 maintenance, repair, and operation of aircraft factory,  
22 air stations, and so forth, from "\$1,431,840,800" to  
23 "\$758,050,800", and (4) continuing experiments and  
24 developmental work, and so forth, from "\$81,272,500"  
25 to "\$61,000,000"; and the unobligated portion of the

1 contract authorization provided under this head is hereby  
2 repealed.

3 Marine Corps:

4 Pay, Marine Corps:

5 Fiscal year 1944, \$41,321,480.

6 Fiscal year 1945, \$10,000,000.

7 Fiscal year 1946, \$69,913,260.

8 Pay of civil force, Offices of Commandant of Marine  
9 Corps and Director of Personnel:

10 Fiscal year 1944, \$358.

11 Fiscal year 1945, \$174.

12 Pay of civil force, Office of Paymaster General, Marine  
13 Corps:

14 Fiscal year 1944, \$330.

15 Fiscal year 1945, \$118.

16 Pay of civil force, Office of Quartermaster General,  
17 Marine Corps:

18 Fiscal year 1944, \$844.

19 Fiscal year 1945, \$1,059.

20 General expenses, Marine Corps:

21 Fiscal year 1944, \$79,787,482.

22 Fiscal year 1945, \$56,737,554.

23 Fiscal year 1946, \$310,000,000.

1 Increase and replacement of naval vessels:

2 Increase and replacement of naval vessels, con-  
3 struction and machinery, \$732,104,151.

4 Increase and replacement of naval vessels,  
5 armor, armament and ammunition, \$276,876,967.

6 Increase and replacement of naval vessels,  
7 emergency construction, \$38,385,489: *Provided*,  
8 That the balances remaining of appropriations under  
9 "Increase and replacement of naval vessels" shall  
10 not be available for the period of the fiscal year 1946  
11 subsequent to October 16, 1945, for beginning the  
12 construction of any new vessels.

13 Repair facilities, Navy:

14 Repair facilities, Navy, \$38,266,050, and the  
15 contract authorization for "Repair facilities, Navy",  
16 available in the fiscal year 1946 is hereby reduced  
17 in the sum of \$27,562,131.

18 Coast Guard:

19 Salaries, Office of Commandant, United States Coast  
20 Guard:

21 Fiscal year 1944, \$219.

22 Fiscal year 1945, \$133,293.



1 Pay and allowances, Coast Guard:

2 Fiscal year 1944, \$35,006,326.

3 Fiscal year 1945, \$8,658,922.

4 Fiscal year 1946, \$80,000,000.

5 General expenses, Coast Guard:

6 Fiscal year 1944, \$631,865.

7 Fiscal year 1945, \$1,289,896.

8 Fiscal year 1946, \$20,000,000.

9 Civilian employees, Coast Guard:

10 Fiscal year 1944, \$109,654.

11 Fiscal year 1945, \$200,633.

12 Establishing and improving aids to navigation, Coast  
13 Guard, \$346,000.

14 Acquisition of vessels and shore facilities, Coast Guard,  
15 \$2,741,000.

16 Retired pay, former Lighthouse Service, Coast Guard:

17 Fiscal year 1944, \$73,320.

18 Fiscal year 1945, \$48,109.

19 Salaries, Merchant Marine Inspection, Coast Guard,  
20 1945, \$25,536.

21 Salaries and expenses, Merchant Marine Inspection,  
22 Coast Guard:

23 Fiscal year 1944, \$899,401.

1 Fiscal year 1945, \$373,270.

2 Emergency construction, vessels and shore facilities,  
3 Coast Guard (Navy), \$231,000.

4 Special projects, vessels, Coast Guard (Navy), \$127,-  
5 000.

6 Special projects, aids to navigation, Lighthouse Service,  
7 Coast Guard (Navy), \$28,699.

8 Special projects, aids to navigation, Coast Guard  
9 (Navy), \$556,000.

10 NAVY DEPARTMENT

11 Salaries:

12 Salaries, Office of Secretary of the Navy:

13 Fiscal year 1944, \$78.

14 Fiscal year 1945, \$5,330.

15 Salaries, General Board, Navy Department:

16 Fiscal year 1944, \$3,826.

17 Fiscal year 1945, \$8,775.

18 Salaries, Naval Examining and Retiring Boards:

19 Fiscal year 1944, \$1,536.

20 Fiscal year 1945, \$5,662.

21 Salaries, Office of Naval Records and Library:

22 Fiscal year 1944, \$879.

23 Fiscal year 1945, \$7,035.

1 Salaries, Office of Judge Advocate General, Navy:

2 Fiscal year 1944, \$5,312.

3 Fiscal year 1945, \$36.

4 Salaries, Office of Chief of Naval Operations:

5 Fiscal year 1944, \$787.

6 Fiscal year 1945, \$731.

7 Salaries, Board of Inspection and Survey, Navy Depart-  
8 ment:

9 Fiscal year 1944, \$3,452.

10 Fiscal year 1945, \$2,893.

11 Salaries, Office of Director of Naval Communications:

12 Fiscal year 1944, \$125.

13 Fiscal year 1945, \$18,647.

14 Salaries, Office of Naval Intelligence:

15 Fiscal year 1944, \$2,932.

16 Fiscal year 1945, \$923.

17 Salaries, Hydrographic Office:

18 Fiscal year 1944, \$176,696.

19 Fiscal year 1945, \$16,357.

20 Salaries, Naval Observatory:

21 Fiscal year 1944, \$38.

22 Fiscal year 1945, \$1,117.

23 Salaries, Bureau of Ships:

24 Fiscal year 1944, \$2.

1 Salaries, Bureau of Ordnance:

2 Fiscal year 1944, \$322.

3 Fiscal year 1945, \$151.

4 Salaries, Bureau of Supplies and Accounts:

5 Fiscal year 1944, \$2,992.

6 Fiscal year 1945, \$2,414.

7 Salaries, Bureau of Medicine and Surgery:

8 Fiscal year 1944, \$4,578.

9 Fiscal year 1945, \$2,854.

10 Salaries, Bureau of Yards and Docks:

11 Fiscal year 1944, \$94.

12 Salaries, Bureau of Aeronautics:

13 Fiscal year 1944, \$46.

14 Contingent expenses:

15 Contingent expenses, Navy Department, 1944, \$10,322.

16 Contingent expenses, Navy Department, 1946:

17 The amount which may be transferred to this appro-  
18 priation from other appropriations contained in the Naval  
19 Appropriation Act, 1946, is hereby decreased from "\$5,500,-  
20 000" to "\$4,500,000".

21 Printing and binding, Navy Department, 1946:

22 The amount which may be transferred to this appro-  
23 priation from other appropriations contained in the Naval



1 Appropriation Act, 1946, is hereby decreased from “\$18,-  
2 500,000” to “\$10,500,000”.

3 Contingent and miscellaneous expenses, Hydrographic  
4 Office:

5 Fiscal year 1944, \$289,839.

6 Fiscal year 1945, \$94,942.

7 Fiscal year 1946, \$413,000.

8 Contingent and miscellaneous expenses, Naval Observa-  
9 tory:

10 Fiscal year 1944, \$572.

11 Fiscal year 1945, \$40.

12 GENERAL PROVISIONS

13 Provisions of law prohibiting the payment of compensa-  
14 tion to any person not a citizen of the United States shall  
15 not apply to personnel under the Naval Establishment during  
16 the fiscal year ending June 30, 1946.

17 Notwithstanding the provisions of section 10 of the Pay  
18 Readjustment Act of 1942 (56 Stat. 364), the Secretary  
19 of the Navy is authorized and directed to issue in kind during  
20 the fiscal year ending June 30, 1946, one service blue uni-  
21 form and overcoat to each enlisted man in the naval service  
22 upon return to the United States from sea and foreign shore  
23 duty upon the sworn statement of such enlisted man that he  
24 was prevented, by competent naval authority, from taking

1 such articles of clothing with his person at the time of his  
2 assignment to sea and foreign shore duty: *Provided*, That  
3 the value of such articles of clothing shall be charged to the  
4 clothing and small-stores fund.

5 In all, title III, \$14,404,721,830.

6 GENERAL PROVISION

7 The officer and enlisted personnel strengths of the  
8 Army, Navy, Marine Corps, and Coast Guard shall be  
9 demobilized at a rate not less than would be necessary to  
10 keep within the amounts available for their pay in conse-  
11 quence of the provisions of this Act, unless the President  
12 otherwise shall direct.

13 SEC. 301. This Act may be cited as the "First Supple-  
14 mental Surplus Appropriation Rescission Act, 1946".



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[FULL COMMITTEE PRINT]

Union Calendar No.

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R.**

[Report No.     ]

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# **A BILL**

Reducing certain appropriations and contract  
authorizations available for the fiscal year  
1946, and for other purposes.

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By Mr. CANNON of Missouri

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OCTOBER 17, 1945

Committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION BILL, 1946

OCTOBER 17, 1945.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4407]

The Committee on Appropriations, to whom was referred the bill (H. R. ———) entitled “A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes,” report the measure with a favorable recommendation for its early consideration and passage by the House.

The bill would do these things:

- |  |                                  |
|--|----------------------------------|
| (1) Rescind currently available appropriations to the extent of-----   | <sup>1</sup> \$48, 264, 441, 439 |
| (2) Cancel currently available contractual authorizations, which, if availed of, would make necessary appropriations to the extent of----- | 4, 187, 903, 339                 |
| (3) Recover corporate funds to the extent of-----  | <sup>2</sup> 1, 190, 500         |

Total of cash and potential liability-----	52, 453, 535, 278
--	-------------------

<sup>1</sup> And unexpended balance of appropriation for United States Employment Service.

<sup>2</sup> Corporations created by the Coordinator of Inter-American Affairs.

In addition, the bill (1) reduces previously established limitations upon expenditures for administrative purposes of a number of agencies to the extent of \$9,318,307, and (2) exempts from rescission amounts aggregating \$82,286,253, which otherwise it would be necessary later to appropriate on account of terminal leave, the Federal Employees Pay Act of 1945, and base-pay raises in consequence of the so-called Ramspeck Act.

There have been included in the bill the provisions of H. R. 4103, pending on the calendar, which provides for the rescission of appropriations to the extent of \$7,982,000. Comment upon such measure appears later herein.

There follows a recapitulation of rescissions thus far effected and of those proposed in the instant measure:

Public Law 68, approved May 29, 1945: Cash and contractual authorization, U. S. Maritime Commission-----	\$4, 265, 000, 000
Public Law 127, approved July 3, 1945, applying to various appropriations-----	92, 119, 000
Accompanying measure-----	52, 453, 535, 278
Total-----	56, 810, 654, 278

The amount above relating to the accompanying bill applies to a total availability on July 1, 1945, of appropriations and contractual authorizations of \$146,467,211,277. Subsequent accretions from reimbursements and cancellations would raise the figure roundly to \$170,000,000,000. However, at the time the committee commenced its hearings (September 5, 1945), commitments had been incurred exceeding eighty-two billions. Of the remaining amount, therefore, the rescission is approximately 64 percent.

Details are contained in the table commencing on page 24 hereof. As to each item affected by the bill, except prior year funds, the table shows—

- (1) Appropriation or contractual authorization availability, July 1, 1945.
- (2) Rescissions formally recommended.
- (3) Rescissions in consequence of supplemental recommendations, by memorandum or otherwise.
- (4) Additional rescissions proposed by the committee.
- (5) Total rescissions proposed in bill.
- (6) Availability for whole fiscal year period after deducting rescissions proposed.

The following is a summation of such table, by titles:

	Appropriation or contractual authorization availability, July 1, 1945	Total of rescissions proposed	Balance available for whole of fiscal year
<b>Title I—Various executive agencies:</b>			
Cash-----	\$15, 344, 474, 093	\$2, 956, 629, 045	\$12, 387, 845, 048
Contractual authorization-----	1, 283, 691, 210	930, 461, 208	353, 230, 002
Total-----	16, 628, 165, 303	3, 887, 090, 253	<sup>1</sup> 12, 741, 075, 050
<b>Title II—Military Establishment-----</b>	54, 787, 783, 930	30, 903, 090, 564	<sup>1</sup> 23, 884, 693, 366
<b>Title III—Naval Establishment:</b>			
Cash-----	71, 346, 581, 814	14, 404, 721, 830	56, 941, 859, 984
Contractual authorization-----	3, 704, 680, 230	3, 257, 442, 131	447, 238, 099
Total-----	75, 051, 262, 044	17, 662, 163, 961	<sup>1</sup> 57, 389, 098, 083
Grand total-----	146, 467, 211, 277	<sup>2</sup> 52, 453, 535, 278	<sup>1</sup> 94, 014, 866, 499

<sup>1</sup> Excludes obligations incurred subsequent to July 1, and estimated accretions during year.

<sup>2</sup> Excludes \$1,190,500 of corporate funds included in earlier totals.

The table, of which a summation is given above, should suffice as a report as to the great bulk of the items affected by the bill. The idea of recovering obligational availability previously voted for or incident to the prosecution of the war should have a generally strong appeal. If there be any question at all, it would seem that it would be "why not larger rescissions?"

The committee entertains the view that larger rescissions are practicable. The difficulty now is that firm figures as to obligations, revocable or irrevocable, are not available so early in the fiscal year. In addition, there are a number of imponderables involving the armed services which must await international commitments, and there remain to be worked out definite measures respecting certain war agencies which no longer exist or ultimately will disappear as such, e. g., Foreign Economic Administration, War Manpower Commission, Office of Strategic Services, and Office of Inter-American Affairs. These are matters which may be expected progressively to straighten out, and not so very far hence, when supporting funds will be subjected to further scrutiny. In fact, in consequence of provisions included in the Military Appropriation Act, 1946, and in the Second Deficiency Appropriation Act, 1945, requiring the submission of repeal recommendations on January 3, 1946, in addition to those required by earlier law to be submitted from time to time, there will be before the several subcommittees of the Committee on Appropriations for consideration and recommendation in connection with the budgets of the several departments and agencies for the fiscal year 1947 all of the then available appropriations and funds for the fiscal year 1946. Hence, the accompanying measure may be viewed as the forerunner of a succession of rescissory measures.

The committee wishes to acknowledge the very excellent work the Bureau of the Budget has done in the performance of its part of the task in bringing about the rescissions embraced by the accompanying bill. The Bureau has collaborated with the committee in fine spirit and to the fullest extent and has rendered to the Congress a very great service.

Hearings on the accompanying measure commenced on September 5 and continued daily for more than 4 weeks. There are 1,785 pages of printed testimony, much of which should be a valuable reference for those who may be interested in wartime activities and in procedures following the termination of hostilities. The statement of the head of the Army Service Forces, Gen. Brehon Somervell, is a masterful account of the activities which he administered.

In addition to its rescissory phases, the bill provides for transferring to the States the administration of unemployment compensation and employment service facilities operated in conjunction therewith, and appropriates \$30,000,000 for so doing.

The current year availability for such activity, provided for administration by the War Manpower Commission, was \$54,091,363 as of July 1, 1945. As of August 11, 1945, there remained an unobligated balance (estimated) of such amount of \$46,632,930. The bill provides that such amount of the appropriation remaining unobligated 30 days after the bill shall have become law shall be covered into the Treasury.

## TITLE I—THE EXECUTIVE AND VARIOUS EXECUTIVE AGENCIES

Rescission proposed..... \$3, 887, 090, 253

This title embraces the Executive Office of the President, various war agencies, independent offices, and all of the executive departments except War and Navy. The committee reviewed 132 appropriation items under this title, as to a goodly number of which no rescission was or is proposed. All items reviewed are contained in H. Doc. 280.



As to the items to which the bill applies (listed in the table commencing on p. 26 hereof), cash and contractual availability on July 1, 1945, aggregated \$16,583,975,930. Generally, as of August 11, 1945, expenditures and obligations had reached roundly 8¼ billions. The total of the rescissions proposed in the bill is \$3,887,090,253, leaving a balance of approximately 4 billions.

Much of such balance will be used in winding up the affairs of a number of noted agencies, which performed during the war very important functions and in a most commendable way. Among others are the Office of War Information, Office of Defense Transportation, Office of Scientific Research and Development, War Production Board, Office of Censorship, Office of Strategic Services, Petroleum Administration for War, Foreign Economic Administration, and the War Manpower Commission. Some of these will terminate, at least for the present, as to name only. As has been publicly announced, functions, or parts of them, of certain agencies have been or will be assumed by other permanent Federal agencies. The question of continuing transferred activities after the close of the current fiscal year will be carefully canvassed when the budgets for the ensuing fiscal year are under consideration.

#### H. R. 4103

As previously indicated herein, there has been included in this title the provisions of H. R. 4103. Such bill was reported to the House on September 18, 1945 (H. Rept. 960), and has not been considered for want of a rule. It was presented ahead of the accompanying measure because it deals with a number of agencies or functions which have an uncertain tenure, which makes efficient procedure practically impossible. Such bill and the accompanying bill provide for the continuance of such agencies or functions until the end of June 1946, though curtailed as to amount to the extent of \$7,982,000. The continuing provision in H. R. 4103 provides that—

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this act, *any provision or other law or order to the contrary notwithstanding* \* \* \*

The italicized matter does not appear in the accompanying measure. (See bill p. 16, lines 10 to 12.)

The following is reprinted from the report on H. R. 4103:

"The committee has met with a number of situations which call for immediate action by the Congress for the guidance of the agencies concerned. The President's submission (H. Doc. 280) recommends continued availability to the end of the present fiscal year of the following six appropriations:

#### Appropriation:

1. National defense activities, Bureau of the Budget-----	\$445, 300
2. Salaries and expenses, Civil Service Commission (national defense)-----	6, 032, 000
3. Salaries and expenses, Federal Communications Commission (national defense)-----	2, 430, 000
4. Salaries and expenses, Office of Community War Services, Federal Security Agency-----	450, 000
5. Expenses, temporary aid to enemy aliens and other restricted persons, Office of Administrator, Federal Security Agency--	(1)
6. Salaries and expenses, Division of Geography, Department of the Interior-----	25, 000

<sup>1</sup> Continued availability of 1945 funds, plus allocations from War Relocation Authority. Expenditures estimated to total \$2,127,013.53.

"The first three of the foregoing appropriations have attached to them a provision reading as follows: '*Provided*, That upon the expiration of sixty days after the cessation of hostilities between the United States and the principal enemy powers or after the date of an armistice between the United States and the principal enemy powers, this appropriation shall cease to be available for obligations unless Congress shall otherwise provide by law.' The fourth and fifth items run for 6 months after the termination of the war.

"The sixth item runs during the emergency declared by the President on May 27, 1941, and for a period not exceeding 30 days thereafter.

"Because of the uncertainty as to when the period of availability of the appropriations might be terminated, it is necessary for the agencies concerned, if availability is to be continued through next June 30, in accordance with the President's recommendation, to have prompt indication of that fact in order that they may be able appropriately and efficiently to program their work.

"The committee has had representatives of the several agencies affected before it and from its investigation believes that there is justification for the continuance of the availability of the several appropriations named, and so provides in the accompanying measure, but, in some cases, in reduced amounts, as hereinafter indicated. The reductions recommended total \$7,982,000. As to such appropriations, it is the sense of the committee that the functions embraced thereby should be terminated during the present fiscal year, and, in some cases earlier than the close of the fiscal year, and that the amounts therefor for the remainder of the fiscal year should be so administered as to assure the absorption of all costs, including those incident to liquidation. There should be no anticipation that the Congress later might otherwise provide, because all of the items involved have been provided for heretofore as war projects.

"The items and the committee's action with respect thereto follow:

"*Bureau of the Budget*.—The amount (\$445,300) is left intact. This Bureau will have a very heavy responsibility in connection with reordering the Federal economy and in aiding the Congress in the recapture of surplus appropriations and determining their appropriate peacetime levels.

"*Civil Service Commission*.—A reduction of \$2,032,000 is recommended in the national defense appropriation of this agency. Its regular appropriation for the current fiscal year is \$8,673,882. The rescission proposed would leave a total available of \$12,673,882. Postwar adjustments will continue to impose an added burden upon the Commission, but there are certain fields of activity not associated with the war where contraction would seem to be practicable during the period of change from a wartime to a peacetime basis. The reduction is in a measure arbitrary, but there are and will be times when an arbitrary course must be pursued in order to get appropriations back to thoroughly justified proportions. Looking ahead, that will be a responsibility of the regular subcommittees of the committee having jurisdiction.

"*Federal Communications Commission*.—It is proposed to reduce the amount for this agency (\$2,430,000) by \$930,000. The Commission's principal national defense functions have consisted of (1) monitoring the radio spectrum and (2) monitoring foreign broadcasts. The first long has been a responsibility of the Commission. The war made



necessary a larger activity, which was added to by the rapid strides that have occurred in the development of the radio art. This type of monitoring is concerned with radio-frequency emissions as such, and to use the Commission's words, goes to the crux of radio regulation.

"Monitoring foreign broadcasts was first undertaken early in 1941. With the termination of the war, a substitution would be news dispatches from American correspondents, and the reports of State Department officials and of military and naval intelligence officers. The amount available for this function is \$1,166,000, plus a part of \$166,000 for the work of the general administrative units of the Commission related to the conduct of both programs.

"The committee's reduction applies to both projects. It would reduce the total availability for the fiscal year to \$1,500,000, which should permit of a gradual tapering off and yet finance all liquidation costs.

"The regular appropriation for this agency is \$2,554,400, excluding an amount yet to be appropriated for financing the cost of the Federal Employees Pay Act of 1945 (Public Law 106, 79th Cong.).

"*Office of Community War Services, Federal Security Agency.*—The amount (\$450,000) is left intact. This appropriation embraces two very important projects related to the welfare of personnel of the armed services. One is concerned with the Government's social protection program aimed at the control of venereal diseases and the repression of prostitution in the vicinity of camps and military installations in this country, and the other is concerned with obligations and responsibilities to the War and Navy Departments and the USO in connection with the maintenance and operation of more than 400 recreation buildings which have been erected with Federal funds at various points in the continental United States. The activity is purely war-connected and should gradually diminish and completely disappear with demobilization.

"*Temporary aid to enemy aliens and other restricted persons.*—This activity is administered by the Social Security Board under the Federal Security Agency, and is operating with funds allotted to it by the War Relocation Authority. An expenditure of \$1,967,000 is contemplated between August 21, 1945, and June 30, 1946, of which \$467,000 is available and \$1,500,000 anticipates an additional transfer from the War Relocation Authority.

"The War Relocation Authority proposes an expenditure from July 31, 1945, to the end of the fiscal year 1946, of \$20,469,287, which excludes the transfer of the \$1,500,000 previously mentioned.

"The Social Security Board activity and the War Relocation Authority are related functions. The latter looks after the maintenance and welfare of persons in relocation centers, while the former is concerned with temporary assistance to needy individuals after release from the custody of the War Relocation Authority.

"The committee feels that liquidation should proceed more rapidly and that those responsible therefor are not proceeding to liquidate as speedily as they should; that there is too much of a disposition to confer and dilly-dally. Many of those under detention are slated to be returned to their native lands or the lands of their ancestors. They should be segregated and returned with all possible dispatch. There is no justification for a protracted delay and the responsible

officials should work out such details incident to repatriation at the earliest moment practicable. Thus convinced, the committee is recommending a rescission of \$5,000,000 of the funds available to the War Relocation Authority, which may have the effect of reducing, as it is expected to, contemplated further support of the activity administered by the Social Security Board.

*"Division of Geography, Department of the Interior.*—This agency is concerned with the uniform usage with regard to geographic nomenclature and orthography throughout the Federal Government. Its principal work since Pearl Harbor has been to aid with Army mapping projects, using Army funds. Such funds, still available, amounted to \$42,900 as of August 30, 1945. The committee is proposing a rescission of \$20,000 of the agency's direct appropriation of \$25,000 for the fiscal year 1946, with the thought that the activity should concentrate upon the termination of the Army's work, using Army funds for the remainder of the current fiscal year. Decision with respect to nonwar work after the present fiscal year it is proposed be left for consideration and recommendation by the regular subcommittee of the committee having jurisdiction of appropriations for the Interior Department."

With respect to the action proposed affecting the Federal Communications Commission, since H. R. 4103 was reported to the House, the committee has been advised by the Chairman of the Commission that the activities of the Foreign Broadcast Intelligence Service will be terminated as quickly as practicable, and that complete liquidation in all probability will have been accomplished by November 15, 1945.

With respect to enemy aliens and other restricted persons, some criticism has been voiced regarding the committee's insistence upon expedition in getting detained persons who are to remain in this country relocated and in getting those who are to be deported shipped to their native lands. The committee recognizes the difficulties attendant upon relocating persons within this country. It is not in sympathy, however, with keeping disloyal persons here a moment longer than strictly essential and it has information that measures in the interest of expedition have been taken. It was this group against which the committee's former complaint was leveled.

#### NURSES' TRAINING PROGRAM, CHILD-CARE CENTERS, BUREAU OF MINES PROJECTS

The pendency of this measure has been generally known. The items in this title which would be under review were published in House Document 280 on September 5, 1945. Complaints that have come to the committee concern three propositions, namely, the nurses' training program, child-care centers, and various activities under the cognizance of the Bureau of Mines. As presented, the bill with respect to such matters should be generally satisfactory, at least to those who have complained.

The nurses' training program is provided for as proposed by the President, which means that all qualified formal applicants for training would be admitted into training courses beginning up through October 15, 1945.

Child-care centers: Federal assistance will be continued until March 1, 1946, instead of being withdrawn as of October 31, 1945.



The amount proposed for rescission in House Document 280 has been reduced by an amount suggested by the Federal Works Agency which will make possible continuance of Government support until the later date indicated.

Bureau of Mines projects (itemization on pp. 29 and 30 hereof): The bill provides for rescissions as recommended by the President. Word got abroad that the committee contemplated appreciably larger repeals. It has adhered strictly to the President's figures.

Pertinent to these three matters, the committee met with a number of instances where, though a particular appropriation had been advocated and provided because of war conditions, there was no disposition to dispense with or curtail the appropriation. That is understandable in some cases where nonwar functions expanded during the war period, but in the face of the compelling need for retrenchment, activities which came into being solely because of the war should be required to terminate. It will require a firm and determined attitude to effect readjustments to peacetime necessities. The committee solicits the help of the House in the discharge of that responsibility. It will be a continuing task for many months ahead, and will fall largely, in the future, upon the various subcommittees of the committee having jurisdiction of the regular annual supply bills.

There follows a listing of the larger amounts proposed for rescission under title I:

Office of Scientific Research and Development.....	\$13, 898, 208
War Shipping Administration.....	311, 452, 000
Office of Price Administration.....	25, 929, 000
Emergency fund for the President.....	45, 000, 000
Defense aid, lend-lease.....	<sup>1</sup> 1, 739, 561, 000
U. S. Maritime Commission.....	<sup>2</sup> 496, 500, 000
National Housing Agency.....	127, 727, 000
Department of Agriculture, emergency supplies for Territories and possessions.....	25, 000, 000

<sup>1</sup> Exclusive of \$600,000,000 of contractual authorization.

<sup>2</sup> Exclusive of \$325,900,000 of contractual authorization.

#### OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT

This splendid agency but a few months hence will go out of existence. The contribution that it has made to the winning of the war is inestimable. Without such contribution, it is safe to say that victory still would await achievement. However, the office has been essentially a war agency and it is now engaged in liquidation. To its distinguished and internationally known head, Dr. Vannevar Bush, and the staff of great scientists he gathered around him to aid in the development of new weapons, the Nation owes much.

The slated demise of this war agency brings to the fore the imperative need to establish a properly constituted peacetime agency charged with the responsibility of fostering, promoting, and integrating military research activities, and possibly research engaged in by nonwar agencies of the Government. The technological development since Pearl Harbor and the development that has occurred in the field of electronics, jet propulsion, supersonic rockets, and atomic explosives all point to the necessity of continual, vigorous, well ordered, and capably directed peacetime efforts in the search for the best offensive-defensive weapons it is humanly practicable to devise.

The budgets of the War and Navy Departments, as they would be modified by the accompanying measure, will have a total availability in excess of 385 millions of dollars for research and development. Every technical branch of the two departments is a participant in such sum. There is no over-all direction. A forward step was taken in the case of the Navy a few days ago, when, by Executive order, it was provided that there should be in the Navy Department "an office charged, as the Secretary of the Navy may direct, with the coordination of naval research, experimental, test, and development activities and with such other related duties as may be appropriate." The Army should follow suit, and then all should be headed by a single coordinator. Duplication of effort thus would be avoided, economies consequently would ensue, and results might be more quickly achieved.

#### UNITED STATES MARITIME COMMISSION, WAR SHIPPING ADMINISTRATION

The cessation of hostilities naturally meant a change in the spending programs of these related agencies. As to the Maritime Commission, cutbacks of building programs and abandonment of construction of further units for wartime uses make possible the recovery of \$496,500,000 of cash and the cancellation of \$325,900,000 of contractual authorization. Commitments, plus these rescissions, will exhaust the funds and contractual authority of the Commission by the end of the fiscal year.

There remained under construction on August 31, 1945, 290 vessels of various categories. Thirty-six of the number were started on lend-lease account. One hundred and thirty-five of the units that were building on VJ-day have been canceled.

The amount that will remain of contractual authorization (approximately \$443,000,000) will be used to cover the construction of a number of units (exact number not yet determined) suitable for post-war employment. Of the cash reserved from rescission, \$67,768,500 will be applied toward such construction. The additional amount required will need to be appropriated later. The original proposal considered by the committee called for the construction of 89 units. Since then, an additional rescission of \$135,900,000 has been recommended in contractual authorization, and the committee has not been advised of the eliminations that the repeal of such additional amount would entail. All units, it is understood, are for the account of private operators in accordance with fiscal arrangements in consonance with the Merchant Marine Act.

For the conduct of the War Shipping Administration, rescissions are proposed aggregating \$311,452,000. Of that amount, the committee is directly responsible for \$71,752,000. A firm estimate of needs is wholly impracticable in the light of the changed conditions the war's end has brought about, and it was for that reason that the committee was hesitant to effect a larger reduction. The needs of this agency will be reviewed again in midfiscal year, and, of course, are continually under review by the Bureau of the Budget.



## OFFICE OF PRICE ADMINISTRATION

The appropriation for this agency for the current fiscal year is \$174,500,000. A rescission is proposed of \$25,929,000. Within the reduced availability of \$148,571,000 it is planned to absorb the cost of terminal leave and the cost of the Federal Employees Pay Act of 1945, which latter is a matter of some \$18,000,000. The terminal leave cost is not available. That it will be appreciable, is evidenced by the fact that by the end of June 1946, 36,500 positions will have been dispensed with. It is quite apparent, therefore, that the agency is liquidating about as rapidly as practicable commensurate with the responsibilities which it must continue to exercise. Expenditures during the first quarter of the present fiscal year aggregated \$52,452,460. They will be less than half of that amount during the last quarter.

The committee's hearing of the agency's revised money needs was conducted on September 10, 1945. At the committee's instance, a restudy subsequently was made, with the result that the originally recommended rescission of \$21,935,000 was increased by Director Bowles by \$3,994,000. The increase was communicated in a letter, dated October 1, 1945, in which needs are projected in considerable detail over the remainder of the current fiscal year. The letter stresses the importance of guarding against inflationary prices, such as occurred after the close of World War I. No disposition has been manifested to maintain controls in cases where a reasonable relationship obtains between supply and demand.

The committee invites attention to the following excerpt from Mr. Bowles' letter:

"Without careful control the possibilities of a sharp inflation in prices are explosive. The result could only be serious for the country. With these controls in the fields where they are needed for a few remaining months, business, farmer, and consumer can have the tremendous advantage of relatively stable prices to start on their peacetime way.

"Continuing studies of the supply-demand picture are being carried on in each price branch \* \* \* in conjunction with the other agencies of the Government. Controls are being dropped, and will be dropped as promptly as demand comes up to supply. It is the policy of the agency to drop controls a little too early rather than too late, so long as there appears to be no likelihood of a general increase in the price level.

"As indicated earlier, estimates of supply and demand in different commodities are still changing from week to week. Our best guesses, however, of decontrol possibilities in major areas are as follows:

"1. *Food*.—With a few exceptions, such as eggs, potatoes, and certain vegetables, controls must be maintained through January 1, 1946, and for the most part through the winter season which is characteristically a period of short supply. About April 1, certain major items, such as milk and some other dairy products, fish, and a large number of canned vegetables can probably be suspended from control. Favorable estimates regarding grain harvest may permit suspension of grains, legumes, and field seeds, and so forth, by late spring 1946. Although control of good and choice cuts of beef must be continued through spring of 1946, there is reasonable possibility of suspension of

controls of low quality, utility, stew, and processed meats during the grass-fed cattle run. Sugar, canned fruits, and fats and oils will probably have to be controlled through June 1946. Retention of community pricing is geared indirectly with decontrol of major food items at the producer level. Hence, beginning January 1 and throughout the third and fourth quarters of the fiscal year, community lists will be reduced in size and supplementary lists eliminated. But some community ceiling prices will be necessary throughout the fiscal year.

"2. *Consumer goods*.—From now until the beginning of the fourth quarter of the fiscal year, price pressures and shortages will continue sufficiently severe to prevent the removal of controls from any significant portion of commodities in the textile and clothing fields. By April 1, 1946, the projected supply and demand figures indicate that we will be nearing a balance and, consequently, that serious consideration must be given to removal of controls in major apparel and textile categories.

"In the consumer durable goods field, most of the major items have either been in extremely short supply or out of production entirely during the war. Items such as major electrical appliances, etc., cannot be decontrolled until plants are in full production and these commodities have entered in adequate supply into the distributive levels. This supply and demand balance is not anticipated prior to June 1946. Minor consumer durable items of less significance in the consumer budget are currently being removed from control, and this trend will be speeded up from January 1 on.

"3. *Services and transportation*.—Beginning January 1, and probably effective by April 1, controls may be removed from important services such as laundries, dry cleaning, etc. Continuation of restaurant control will be geared with food price control and probably will be continued through early spring 1946. Contract-carrier services must be kept under control until the extreme shortage of equipment is eliminated. With the shortage of equipment expected to continue through the spring of 1946, it is anticipated that contract-carrier price control will have to be maintained at least through that period.

"4. *Industrials*.—By January 1, consideration will be given removal of control of certain basic materials, machines, and so forth, for which the military demand was large and the substitute civilian demand is considerably less. Major attention must be devoted to the maintenance of controls, however, in the basic civilian items which were out of production during the war. Chief among these items are automobiles and other major metal-using items. Extreme shortage of residences will cause price pressures to continue severe at least through June 1946 and beyond for many items in the building-materials field. So long as contract carriers, metal-using consumer durable goods, and building are in short supply, basic metals, building materials, and machines must be kept under control. Extremely specialized items and some basic materials may be removed from control by the end of the third quarter of the fiscal year.

"5. *Transition pricing and adjustments*.—Price work load in surplus-war-goods field will increase substantially through spring 1946. The total work load in pricing and adjustment, particularly in the fields of transition and new-goods industries, will mount sharply with the release of manpower and materials. Speed in processing and initialing prices is of increasing importance, and it must be recognized that it is



a greater work load to handle the same number of cases in a shorter time. It is the responsibility of the Agency to make necessary adjustment in line with our policy to avoid having price ceilings interfere with full employment and full production. It is anticipated that reconversion pricing, new-goods pricing, and general adjustment processing will reach a peak about March 1, 1946, and will taper off substantially after that period.

"6. *Rents*.—Pressures against rent ceilings \* \* \* particularly in the larger centers of population \* \* \* will unquestionably continue for some time. Across the country there is a shortage of something like 12,000,000 homes or apartments now. The pressures against the rents will not abate until much of this housing deficiency is made up, or until rents are substantially higher than they are today.

"Since the termination date of the legislation granting OPA its authority is June 30, 1946, Congress will want to consider at what time rent control is to be finally eliminated.

"Meanwhile the agency will, of course, follow a policy of selected decontrol. Out of 480 rental areas there are perhaps 235 where rent control was originally started, because of the development of a military establishment of some kind. These are the smaller areas and all together require perhaps 8 to 10 percent of the rental staff. Unquestionably, when the military establishments are closed up, there will be no longer any need for rent control in these areas. After conversations with the Army and Navy on the subject, it is thought likely that some 150 areas of this type can be decontrolled in the present fiscal year.

"In other areas, there seems little likelihood for decontrol. The policy of the agency will be to strengthen the program wherever possible, without the addition of staff, since the pressures against rents in the large areas are greater than ever before with problems on adjustments, evictions, and so forth, which are more serious than ever."

#### EMERGENCY FUND FOR THE PRESIDENT

The availability of this fund heretofore has been extended to June 30, 1946. The amount available for the current fiscal year, including credits from cancellations, is \$67,935,122. Obligations through August 31 were estimated as \$4,804,500. For the remainder of the fiscal year they are estimated to aggregate \$18,130,666, or a total for the year of \$22,935,122. The difference of \$45,000,000 is proposed for rescission. Of course, estimated obligations can be only a guess, because the appropriation is for meeting entirely unforeseeable emergency situations.

The committee feels that there should be available to the Chief Executive a reasonable amount for meeting emergency situations consequent upon the war. As previously indicated, the appropriation will cease to be available after next June 30. There is no reason to anticipate that the fund will be employed in directions not having a distinct war relationship or which would create commitments for projects for which appropriations later would need to be provided.

## DEFENSE AID—LEND-LEASE

## Rescission proposed:

Cash.....	\$1, 739, 561, 000
Contractual authorization.....	600, 000, 000
Total.....	2, 339, 561, 000

There remained an unobligated balance on July 31, 1945, of \$3,618,744,000 of cash and \$600,000,000 of contractual authorization, or a total of \$4,218,744,000. The rescission proposed reduces such availability to \$1,879,183,000.

The projected employment of such sum is as follows:

Additional payment to UNRRA (already effected), in compliance with provisions of the UNRRA Appropriation Act of 1945.....	\$100, 000, 000
Transfer to Commodity Credit Corporation as a reserve for the support of agricultural prices.....	500, 000, 000
Liquidation of commitments for goods and services, and incidental administrative expenses.....	1, 279, 183, 000
Total.....	1, 879, 183, 000

The articles embraced by the last item it is expected will be disposed of to Allied Governments on either a cash or credit basis. Credit would be extended over a 30-year period with interest at the rate of 2½ percent per annum. Recovery is anticipated, therefore, of the greater part of the funds which will be invested in carrying out the contracts and commitments involved in current outstanding orders.

The responsibility for administering lend-lease over its liquidation period has been transferred to the State Department.

## NATIONAL HOUSING AGENCY

This agency, to the credit of its Administrator, was among the first to curtail activities and reduce expenditures. On August 11 the field offices of the Federal Public Housing Authority, construction agency for publicly financed war housing, were directed to—

- (1) Suspend all projects not under construction.
- (2) Suspend all betterments to completed projects except those urgently needed to protect the health and safety of the tenants.
- (3) Review all projects under construction to determine where savings could be effected by suspending further operations.

As a consequence, rescissions aggregating \$77,727,000 have been recommended and are proposed in the bill. The Agency is left chiefly with these functions: Finishing certain projects which it was deemed uneconomical to suspend; assisting distressed families of servicemen and veterans who need housing; administering and operating properties in areas where adequate private housing is lacking, and the disposal of projects no longer needed.

With respect to the latter, disposal measures are financed from reserves accumulated from operating receipts. Such reserves approximated \$75,000,000 last June 30. The agency agrees that a reserve of not more than \$25,000,000 will suffice, and has proposed that the present excess of \$50,000,000 be covered into the Treasury,

and that an amendment of existing law dealing with the disposal of property be enacted, which would establish a \$25,000,000 ceiling upon such a reserve. Such an amendment has been included in the bill, commencing in line 10, page 9. It has the approval, the committee is advised, of the chairman of the Committee on Public Buildings and Grounds.

#### DEPARTMENT OF AGRICULTURE

##### EMERGENCY SUPPLIES FOR TERRITORIES AND POSSESSIONS

The act of December 23, 1941 (Public Law 371, 77th Cong.), established a revolving fund of \$35,000,000 to procure, transport, and distribute agricultural commodities and supplies to meet the emergent requirements of the civilian population of the Territories and possessions of the United States. The need was brought about by enemy submarine operations and the diversion of shipping to meet war requirements.

A rescission is proposed of \$25,000,000, or \$10,000,000 above the proposal contained in House Document 280. The activity should be completely liquidated by or shortly after the end of this calendar year, at which time there should be an appreciable additional recovery.

##### EMERGENCY RUBBER PROJECT

*Guayule shrub.*—The bill includes a rescission of \$1,649,790 of funds available for this project, and a provision for its complete liquidation, but allowing continuance of the research phases until June 30, 1946. The testimony is that a need for the product no longer exists. The Director, Rubber Programs, War Production Board, has recommended "that the project be liquidated as rapidly as possible and with the least expenditure of public funds." The committee has increased the rescission recommended in House Document 280 by \$688,000. This amount is the estimated cost of harvesting and milling the shrub before closing down which would yield rubber worth \$168,000. Some of the \$688,000 already has been expended, but the committee is satisfied that the unrescinded availability will finance all appropriate liquidation costs if expended with proper care and a due regard for economy.

##### WAR FOOD ADMINISTRATION

This agency came into being in the fiscal year 1944 as a war agency. Its mission has been to aid in the assurance of an adequate supply and distribution of food and other commodities. The appropriation for its functions for the current fiscal year is \$14,986,472. A rescission is proposed of \$3,116,894. It is the plan to liquidate during the current fiscal year and to absorb within the unrescinded amount terminal leave costs and other added personnel costs growing out of the Federal Employees' Pay Act of 1945. The latter will occasion an expense, not previously provided for, of \$1,108,974. A fiscal statement appears on page 778 of the hearings, part I. Past functions of the agency and the work with which it is still engaged are succinctly stated on page 786 of the hearings by Mr. Paul C. Stark, Director of the Food Distribution Programs Branch.



## DEPARTMENT OF COMMERCE

## CIVIL AERONAUTICS AUTHORITY—DEVELOPMENT OF LANDING AREAS

The committee has been supplied with more recent and complete information than was available on September 13, 1945, when it inquired into this activity. The later data, conveyed by letter dated October 12, 1945, indicate an unobligated balance on June 30, 1945, of \$25,975,240, charges against such balance dating from July 1, 1945, of \$22,567,661, and a Treasury return of \$3,407,579. Such return exceeds by \$1,332,880 the amount originally proposed for rescission and results from withdrawal from the program of (1) the project at Anniston, Ala., which was constructed by the Army as a purely military airport, which removes the project as a charge to the development of landing areas appropriation, and (2) the project at Sault Ste. Marie, Mich., because it would cause to be exceeded the number of projects which have been authorized (535).

The committee is proposing a total rescission of \$5,000,000. It believes that economies are practicable in administrative directions and that some reduction is practicable in project costs.

## DEPARTMENT OF JUSTICE

## FEDERAL BUREAU OF INVESTIGATION

The appropriations for this agency for the present fiscal year are—

Salaries and expenses (regular) .....	\$7, 900, 000
Salaries and expenses (special emergency) .....	100, 000
Salaries and expenses (national defense) .....	27, 829, 000
Total .....	35, 829, 000

The above amounts are the amounts estimated as necessary by the Department of Justice for the conduct of the functions of the Bureau on the basis of a one-front war.

The President's submission of September 5 (H. Doc. 280) proposes a reduction of \$2,480,000 in the national defense item. In addition, it contemplates that the remaining amount shall be charged with the cost of terminal leave and of the Federal Employees Pay Act of 1945. It is understood that the latter will occasion a charge in excess of \$4,000,000.

To meet the Budget proposal, manifestly a drastic curtailment would need to be made in personnel between now and the end of June. Director Hoover estimates a total of 4,872 separations. This may be too severe so early after the war although it is true the war's termination has brought to an end many responsibilities the Bureau has shouldered since Pearl Harbor. These considerations were all weighed by the Bureau of the Budget before its determination was transmitted to the Congress by the President, and the committee, therefore, is unwilling to depart from the recommendation it has received.

## CENTRAL STATISTICAL AGENCY

The committee's inquiry into so many phases of Government brought to the fore the multiplicity of agencies which engage in the gathering, compilation, and publication of statistics of one kind or



another. The committee's information is that 65 separate agencies engage in such work. Duplication is bound to result and there must be much unnecessary overhead. True, a coordinating agency heads up in the Bureau of the Budget, but the committee feels that the Bureau of the Budget should make or have made a study of the matter and take appropriate measures toward the establishment of a single statistical agency.

## TITLE II—MILITARY ESTABLISHMENT

Rescission proposed..... \$30, 903, 090, 564

According to the President's submission (H. Doc. 290), the Army had a cash balance of current and prior year appropriations on July 1, 1945, of \$63,831,706,888. The total appearing on page 34 hereof excludes amounts applying to appropriations as to which no rescission is proposed. Of such document total, \$33,626,678, 872 had been expended or obligated as of July 31, 1945, leaving an uncommitted availability of \$30,205,028,016. Such amount the document contemplates will be increased to \$47,129,605,501 as the result of savings through reimbursements and cancellations aggregating \$16,924,577,485. Of such total availability of \$47,129,605,501, the Budget has proposed rescissions totaling \$28,692,772,000. The committee is proposing additional rescissions aggregating \$2,210,318,564, or a total rescission of \$30,903,090,564, leaving a balance for obligation over the period August 1, 1945, to June 30, 1946, of \$16,226,514,937.

The additional rescissions proposed by the committee are itemized in the table on pages 32 to 34 hereof.

The amount of the recovery should be generally very gratifying. The committee believes, however, that it may be substantially added to later when firmer figures will be available as to the results of cut-backs and cancellations and more time has been available for surveying fiscal needs, which is an extremely difficult task considering the enormity and complexities of demobilization.

The Military Appropriation Act for the current fiscal year includes an independent provision requiring the submission to the Appropriations Committees of the Congress on January 3, 1946, of a list showing the condition of the balances of each military appropriation and contract authorization together with recommendations for the repeal of such of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted. Army funds, therefore, definitely will be subjected to further review a few months hence.

The major rescissions proposed under these heads:

Quartermaster Corps.....	\$3, 944, 994, 479
Air Corps.....	12, 166, 313, 000
Corps of Engineers.....	2, 349, 523, 571
Ordnance Department.....	8, 300, 000, 000

No rescission is proposed under "Pay of the Army." The reason is that the pay appropriation for the current fiscal year was provided on the basis that more than half of the amount estimated to be needed would be met with surplus funds to be transferred from other appropriation heads, but chiefly from the appropriation "Air Corps, Army."

The Army attained its peak strength on May 31, 1945, when total strength reached 8,291,000. By August 31, 1945, the strength was

decreased to 8,023,000 and by June 30, 1946, will be reduced to 1,950,000. The number of troops overseas increased monthly from December 1941 through April 1945, when about 5,455,000 troops were deployed throughout the world. Overseas strengths have declined since April 1945, and on August 31, 1945, there were 4,623,000 men overseas. A further steady decline in overseas strength is planned during the remainder of fiscal year 1946. Demobilization of well over 6,000,000 men by June 30, 1946, is the present goal of the War Department.

Ability to demobilize the Army depends upon the capacity of three principal facilities: (1) Transoceanic transportation (including ports and staging areas), (2) transcontinental and inland transportation, and (3) separation centers. The committee has been advised that within these limitations demobilization will proceed as rapidly as possible, consistent with operational requirements.

The problem is a big one and the committee recognizes that it has many ramifications. The same holds true as to the Navy. On the other hand, the committee is not satisfied that it is not practicable for both services to attain the presently established objectives more rapidly. Both should immediately adopt the policy of releasing any officer or enlisted person as and when they become surplus. Points or no points, it is unjust to the individual to hold him and it is an imposition upon the taxpayers to hold him beyond the time there is a genuine need for his services. As regards points, it is the committee's understanding that present point requirements would not permit reaching the objective strengths on schedule. If this be true, the points should be immediately adjusted to the demobilization programs and promptly publicized in order that the individual and his family may know in advance what to expect and be able to plan accordingly. Any other course would be most unfair and should not be tolerated.

It is the judgment of the committee that demobilization, particularly of Army and Navy personnel, can be accomplished and should be accomplished a great deal more rapidly than the appropriation amounts proposed to it for rescission contemplate. It has support for this view in the accelerated program published by the War Department on October 15. The committee is convinced that the Navy, too will find it practicable to release both officers and men at a more rapid rate than planned a few weeks ago. In fact, the committee understands that around 58,000 releases have occurred in excess of the number of releases programed when Navy representatives were before it.

The committee would hesitate to take any step which would necessitate demobilization at a rate which would interfere with orderly processes. It appreciates that there are technicalities which cannot be ignored. It feels confident, however, that a too cautious attitude as to the adequacy of funds prevails in the two services, and it is, therefore, recommending rescissions affecting Army and Navy personnel approximately \$1,240,000,000 in excess of recommendations it has had before it of a formal and informal character. And it has gone a step further. It has included in the bill (p. 35, after line 5) a provision requiring the armed services to proceed with demobilization.

at a rate not less than would be necessary to keep within the unrescinded amounts for the pay of uniformed personnel, unless the President should otherwise direct. The committee believes that it is the judgment of the House and of the country that nonregular personnel should be returned to a civilian status with the least possible delay. The provision proposed has attached to it a saving clause which would protect the armed services from having to pursue a course inimical to the public interest.

Quartermaster reductions occur mainly in clothing, subsistence, and miscellaneous troop equipage.

*Air Corps.*—The Air Corps rescission is the most noteworthy. There was an unobligated balance on July 31 of \$7,623,638,241. Recoveries through reimbursements and cancellations will raise such amount to \$16,860,092,718. Of this sum, \$3,536,497,999 will be used to supplement the Army's pay appropriation and \$12,166,313,000 is proposed for rescission. That would leave \$1,157,281,719 for obligation over the period August 1, 1945, to June 30, 1946. Such sum is \$564,000,000 less than contemplated by the Budget submission and represents the additional rescission proposed by the committee applying to the Air Corps alone. Such additional rescission the committee leaves to the Air Corps to apply. It is directed more particularly against operations, of which there should be a decided curtailment. Savings thus would occur in expenditures for gasoline and oil, spare parts, and other expendables incident to operation, and to civilian ground personnel. The cut may appear to be drastic at this stage. It is intended to enforce economical practices. However, there may, and very likely will be, additional accruals from cancellations or otherwise, and the Budget Bureau will be free to release such portions thereof as it may be convinced will be genuinely necessary for the Air Corps to weather the sealing-down process.

As of August 23, 1945, the Air Corps was possessed of 62,045 planes. It is the present plan to dispose of 44,222 of that number and to retain 17,823 (see p. 572 of hearings, pt. II). New procurements are indicated on page 574—1,238 units, which are expected to cost \$395,190,000.

*Corps of Engineers.*—The rescissions proposed as to this branch would leave an availability over the period August 1, 1945, to June 30, 1946, as follows:

Engineer Service.....	\$1, 156, 865, 905
Military posts.....	85, 000, 000
Barracks and quarters.....	360, 927, 227

The amounts are not considered to be overly large for the transitional period, but will be reviewed again in January. Within the first named amount, \$600,000,000 has been administratively impounded pending determination of future operations with respect to the Manhattan project. The only permanent construction contemplated is estimated to cost \$7,630,000. The projects are enumerated on page 766 of the hearings, part II.

*Ordnance Department.*—This branch, which has performed a most wonderful service, will operate on an availability of \$377,973,411 over the period August 1, 1945, to June 30, 1946. It will have a large responsibility during demobilization in looking after the storage and preservation of great amounts of ordnance material the condition of which warrants retention as a reserve.



## TITLE III—NAVAL ESTABLISHMENT

## Rescissions proposed:

Cash.....	\$14, 404, 721, 830
Contractual authorization.....	3, 257, 442, 131
Total.....	17, 662, 163, 961

According to the President's submission (H. Doc. 286), the Navy had a cash balance of current and prior year appropriations on July 1, 1945, plus uncommitted contractual authorization, of \$75,338,-339,105. The table appearing on page 35 hereof excludes amounts applying to appropriations as to which no rescission is recommended. Of the document total, \$51,671,930,782 had been expended or obligated as of July 31, 1945, leaving an uncommitted availability of \$23,766,408,323. Such amount the document contemplates will be increased to \$29,607,421,476 as the result of savings through reimbursements and cancellations aggregating \$5,841,013,153. Of such total of \$29,607,421,476, the Budget has recommended rescissions totaling \$17,058,917,446. The committee is proposing additional rescissions aggregating \$603,239,515, or a total rescission of \$17,662,-163,961, leaving a balance for obligation over the period August 1, 1945, to June 30, 1946, of \$11,945,257,515.

The reduction is a very substantial one and is attributable in the main to these considerations:

Demobilization of the fleet.

Reduction in personnel by reason of such demobilization.

Contraction of shipbuilding.

Contraction of aviation procurement and activities.

Cut-backs and cancellations of contracts.

The demobilization objective date is September 1, 1946. By that time it is the aim to have accomplished the presently contemplated fleet dispositions. The program calls for (1) an active fleet of 1,672 units, of which 297 would be major combatant vessels, (2) an inactive fleet in a state of readiness, comprising 2,313 units, of which 104 would be major combatant vessels, and (3) a reserve fleet of 2,099 units, of which 681 would be in the major combatant category.

Such an establishment the Department estimates will require a strength of 500,000 enlisted men and 58,000 officers. These numbers it is expected to reach by next September 1. At the time of the hearings it was estimated that by the end of this fiscal year the enlisted strength would be down to 972,200 and the officer strength to 105,000. Such numbers compare with a scheduled enlisted strength at the end of this month of 2,820,000 and an officer strength of 298,700.

*Naval aviation.*—Naval aviation is working toward an objective of 8,000 operating planes and 4,000 in a reserve status, to be reached on September 1, 1946. The Navy possessed about 41,000 planes at the beginning of the present fiscal year. It is the plan to dispose of 24,000 of such number, principally by junking.

The rescission on account of naval aviation, cash and contractual authorization, is \$1,481,300,000. The air arms have been exceedingly costly and will continue to require large budgets in comparison with those maintained immediately preceding the war.

*Shipbuilding.*—There were 10,108 units under construction on August 1, 1945 (pt. II of hearings, p. 215). Of these, 1,114 were



delivered in August, and 8,394 have been canceled, leaving under construction as of September 1, 612 units. A rescission is proposed of \$1,085,632,657.

Authority exists for further construction, the estimated cost of which is \$4,222,606,242. In view of the tremendous size and modernness of the existing fleet, the committee does not feel that any part of such authority should be exercised any time in the near future, and has included in the bill (p. 29, lines 7-12) a limitation barring the commencement of new construction during the remainder of the current fiscal year.

*Marine Corps.*—The Marine Corps, like the Navy, is in course of demobilization and expects to level off at its postwar strength of 100,000 men and 8,000 officers by September 1, 1946. The total strength of the corps by the end of June is expected to be down to 191,028 from a total strength of 474,244 at the beginning of the fiscal year (see table in pt. II of hearings, p. 162).

*Coast Guard.*—The Coast Guard also is contracting, but is retarded in so doing by reason of the commingling of its personnel with naval personnel on a large number of craft. That impediment will be removed as vessels return to home ports. Current fiscal year appropriations for the Coast Guard provided for an average of 13,165 officers and 160,000 enlisted persons. The present postwar objective is 4,900 officers and 30,000 enlisted men.

#### PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

There follows a summation of funds reviewed under this head and of the action proposed:

	Available July 1, 1945	Obligations and expendi- tures during fiscal year	Rescissions proposed
Cash.....	\$1, 579, 231, 400	\$1, 179, 231, 400	\$400, 000, 000
Contractual authority.....	1, 664, 046, 697	} 668, 882, 713	1, 229, 880, 000
Credits through cancellations.....	234, 716, 015		
Total.....	3, 477, 994, 113	1, 848, 114, 113	1, 629, 880, 000

Of the \$1,848,114,113 which will be available for obligation during the current fiscal year under the proposed rescission, \$1,538,452,131 is committed, leaving for new commitments for the balance of the fiscal year \$309,661,982. Of the latter, \$152,261,080 would be employed on projects within continental United States and \$157,400,902 on advance-base projects. A general break-down of the two amounts appears on pages 336-337 of the hearings, part II.

The committee has left untouched the amount for advance-base projects. It has added 45,000,000 to the rescission proposed in contractual authorization, to apply to items in continental United States, which would reduce the allocation to such projects from \$152,261,080 to \$107,261,080. The committee's reduction may be applied generally or to specific projects, as the Department may elect. The cut may be considered a drastic one, but with the war over and in the light of the large outlays that have been made upon shore establishments since the early days of the war, it is the sense

of the committee that additional physical improvements should be reduced to the very minimum consistent with reasonably conservative support of a peacetime Navy.

*General.*—The rescissions made by the committee independently of Budget recommendations are shown in the table on pages 35 to 38 hereof. There is nothing particularly drastic about any of them. They contemplate a larger savings from the maintenance and operation of naval aircraft, and they are designed substantially to curtail the consumption of fuel by vessels, either by less steaming or steaming at reduced speeds.

*Naval and civilian personnel, Navy Department.*—The Appropriations Committee and the Naval Affairs Committee have been concerned for some time about the large number of naval personnel and civilians identified with the Departmental Service. There unquestionably has prevailed a very considerable overstaffing. The committee has been maintaining a check on civilian personnel by limitations, which has been largely negated by the employment of officer and enlisted personnel. Subsequent to the hearings, the committee received a communication from Under Secretary of the Navy Gates on the subject. It reads as follows:

Rear Adm. F. G. Crisp has advised me that, during his appearance before your committee on September 24, 1945, you asked that we give further study to the Navy's plans for reducing its civilian force in the departmental service.

As of August 31, 1945, the Navy Department (excluding Marine Corps and Coast Guard) had 46,650 personnel on duty in the departmental service. Of these, 17,429 were civilians, 16,594 were enlisted personnel, and 12,627 were officers. Our plans contemplate a reduction by the end of 1946 to a total departmental force of 18,019 composed of 12,824 civilians, 1,830 enlisted personnel, and 3,365 officers. This represents an over-all reduction in force of 28,631.

By the end of June 1946, our military force in Washington will be reduced from 29,000 to about 10,000. Our civilian force will have declined only slightly (to about 16,700) by that time. During this period, civilians will be taking over the continuing civilian type duties now being performed by military personnel, and any further reduction in civilian strength can only result in delaying the release of military personnel or in failure to accomplish essential work.

My study of the situation indicates that this is the maximum reduction in force that can be expected. The estimated postwar civilian force was determined in my immediate office. It was arrived at after careful consideration of the anticipated work load during the demobilization period and a thorough study of departmental strength in relation to the size of the entire naval establishment afloat and ashore. Many of the bureaus and offices will have extremely burdensome duties to perform during the demobilization period—notably the Bureau of Naval Personnel, the Bureau of Medicine and Surgery, and the Bureau of Supplies and Accounts. Unless these and other bureaus are adequately manned, the whole process of demobilizing men and material will be impeded. As a matter of fact, a number of the bureaus have protested that their civilian personnel allocations, made in accordance with our over-all forecasts, are inadequate and that it will be well-nigh impossible for them to accomplish their essential tasks with the reduced forces we propose to allow them.

The Secretary and I are just as anxious as is your committee to cut expenditures to the bone and to operate our naval establishment with a minimum force. It is my considered judgment that our present plans for the departmental service are wholly consistent with that objective. Barring a substantial change in the contemplated size and mission of the postwar navy, any further reduction in departmental personnel can only result in the Navy's inability to accomplish essential work and in the neglect of responsibilities that are vital to the national interest.

The committee does not agree that 26,700 positions will need to be permanently filled after next June 30 to serve postwar needs. It expects to see that number very substantially reduced as conditions become stabilized.



*Legislative provisions.*—The bill includes two provisions advocated by the Navy Department, both of which have the approval of the Committee on Naval Affairs. One is designed to permit the employment of alien scientists, which the Army has authority to do, and the other provides for the free issue of a service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty who was prevented from taking such articles of clothing with him at the time of his assignment to sea and foreign shore duty. The two provisions will be found on pages 34 and 35 of the bill.

Subsequent to the inclusion in the bill of the provision respecting uniforms, the committee has been advised that it is too narrow in scope; that there are other cases which should be taken care of to which the provision does not apply. If a change in the provision meets with the approval of the Committee on Naval Affairs, the committee would be willing to accept an amendment to the provision in the bill.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore enacted are recommended:

On pages 21 and 22, relating to the Military Establishment:

*Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).*

Under present laws, reimbursement for transportation of dependents of military personnel is based upon the commercial cost of the transportation involved, in some instances, and in others upon the cost incurred by the individual, not in excess of what it would have cost the Government if the Army had provided transportation, necessitating the ascertainment of such commercial cost or of the cost to the Government in each instance. Because of the inevitable administrative delay resulting from this procedure, there is now an accumulation of some 25,000 claims by officers and enlisted men of the first three grades for transportation of their dependents. Payment of these claims is being delayed because the War Department has insufficient competent rate clerks to determine the amount due in each case. The number of such claims will increase as the rate of demobilization increases, and the administrative delay and use of experienced personnel who could be engaged on other work will tend to retard the rate of demobilization. The foregoing provision would permit payment at a flat rate for the distances shown by the Official Mileage Tables, and would authorize payment of such amounts in advance in order that the officer or enlisted man might receive payment at time of discharge without making application after the travel to his home has been performed. Its enactment has been urgently requested by the War Department in order that prompt settlement on a simple and reasonable basis may be made.

On page 34, relating to the employment of aliens by the Navy Department:

*Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.*

On pages 34 and 35, relating to the issuance of uniforms to naval enlisted personnel:

*Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: Provided, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.*

On page 35, relating to personnel of the armed services:

*The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this Act, unless the President otherwise shall direct.*

### COMPLIANCE WITH CLAUSE 2a, RULE XIII

[Existing law printed in roman type. Changes proposed therein by the provision in the bill shown by the use of italic type to indicate the matter proposed to be inserted.]

On page 9, line 10:

SEC. 303. (a) Moneys derived from rental or operation of property acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of operation and maintenance and expenses found necessary in the disposition of any such property or the removal of temporary housing by the Administrator, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided, That moneys derived by the Administrator from the rental or operation of any such property may be deposited in a common fund account or accounts in the Treasury: And provided further, That except for necessary reserves authorized by this Act or by section 201, of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the rental or operation of such property shall be covered at the end of each fiscal year into miscellaneous receipts.*

*(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, or Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefore and administrative expenses in connection therewith: Provided, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: And provided further, That except for necessary reserves authorized by this Act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.*

*(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: Provided, That all moneys in said account shall be covered into miscellaneous receipts not later than two (2) years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist.*



STATEMENT SHOWING APPROPRIATION OR CONTRACT AUTHORIZATION AVAILABLE JULY 1, 1945, RESCISSIONS  
RECOMMENDED AND AVAILABILITY REMAINING FOR THE WHOLE FISCAL YEAR PERIOD

TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

Agency and appropriation	Appropriation or contract authoriza- tion available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommen- dations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
CASH APPROPRIATIONS						
Executive Office of the President:						
Office for Emergency Management:						
Foreign Economic Administration:						
Salaries and expenses.....	\$16, 750, 000	\$3, 437, 042	-----	\$1, 789, 419	\$5, 226, 461	\$11, 523, 539
Penalty mail costs.....	48, 420	12, 440	-----	-----	12, 440	35, 980
National War Labor Board, salaries and expenses.....	13, 320, 000	-----	\$1, 566, 500	-----	1, 566, 500	11, 753, 500
Office of Defense Transportation, salaries and expenses.....	7, 350, 000	3, 075, 000	-----	-----	3, 075, 000	4, 275, 000
Office of Economic Stabilization, salaries and expenses.....	196, 250	16, 780	-----	37, 000	53, 780	142, 470
Office of Inter-American Affairs, salaries and expenses.....	13, 000, 000	-----	1, 500, 000	-----	1, 500, 000	11, 500, 000
Office of Scientific Research and Development, salaries and ex- penses.....	70, 000, 000	54, 000, 000	1, 325, 000	776, 792	56, 101, 792	13, 898, 208

Office of War Information, salaries and expenses-----	35, 000, 000	5, 662, 558	-----	5, 000, 000	10, 662, 558	24, 337, 442
War Manpower Commission:						
General administration-----	11, 732, 000	-----	71, 194	-----	71, 194	11, 660, 806
Apprentice training service (national defense)-----	450, 000	131, 500	-----	-----	131, 500	318, 500
Training Within Industry Service (national defense)-----	600, 000	125, 000	-----	-----	125, 000	475, 000
Migration of workers-----	800, 000	479, 000	-----	-----	479, 000	321, 000
War Production Board, salaries and expenses-----	35, 000, 000	8, 683, 200	1, 237, 210	79, 590	10, 000, 000	25, 000, 000
War Shipping Administration:						
Revolving fund-----	2, 292, 524, 660	138, 700, 000	-----	56, 752, 000	195, 452, 000	2, 097, 072, 660
Maritime training fund-----	70, 601, 160	20, 000, 000	-----	5, 000, 000	25, 000, 000	45, 601, 160
Marine and war-risk insurance fund, revolving fund-----	332, 521, 859	81, 000, 000	-----	10, 000, 000	91, 000, 000	241, 521, 859
Office of Censorship, salaries and expenses-----	13, 000, 000	8, 200, 000	-----	-----	8, 200, 000	4, 800, 000
Office of Price Administration, salaries and expenses-----	174, 500, 000	21, 935, 000	3, 994, 000	-----	25, 929, 000	148, 571, 000
Office of Strategic Services, salaries and expenses-----	20, 000, 000	9, 500, 000	-----	2, 000, 000	11, 500, 000	8, 500, 000
Petroleum Administration for War, salaries and expenses-----	3, 968, 200	1, 800, 000	-----	-----	1, 800, 000	2, 168, 200

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—Con.**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Executive Office of the President—Continued						
Emergency funds appropriated to the President:						
Emergency fund for the President, national defense-----	\$58, 935, 122	\$40, 000, 000	\$5, 000, 000	-----	\$45, 000, 000	\$13, 935, 122
Defense aid—lend-lease-----	9, 122, 828, 000	1, 729, 561, 000	-----	\$10, 000, 000	1, 739, 561, 000	7, 383, 267, 000
<b>Independent Offices:</b>						
Civil Service Commission, salaries and expenses (national defense)---	6, 032, 000	-----	-----	2, 032, 000	2, 032, 000	4, 000, 000
Employees' Compensation Commission:						
Employees' compensation fund--	15, 447, 644	1, 761, 644	-----	-----	1, 761, 644	13, 686, 000
Federal Communications Commission, salaries and expenses (national defense)-----	2, 430, 000	-----	-----	930, 000	930, 000	1, 500, 000
Federal Power Commission, national defense activities-----	110, 000	2, 628	-----	15, 000	17, 628	92, 372

National Advisory Committee for Aeronautics-----	25, 999, 393	2, 000, 000	-----	-----	2, 000, 000	23, 999, 393
Selective Service System, salaries and expenses-----	52, 000, 000	2, 957, 500	-----	-----	2, 957, 500	49, 042, 500
U. S. Maritime Commission: Construction fund, act June 29, 1936, revolving fund-----	2, 013, 789, 530	496, 500, 000	-----	-----	496, 500, 000	1, 517, 289, 530
Federal Security Agency:						
Public Health Service:						
Health and sanitation activities, war and defense areas (national defense)-----	2, 615, 000	392, 568	-----	-----	392, 568	2, 222, 432
Malaria and diseases of tropical origin (national defense)-----	10, 897, 000	1, 862, 501	-----	-----	1, 862, 501	9, 034, 499
Training for nurses (national defense)-----	59, 957, 000	15, 557, 000	-----	-----	15, 557, 000	44, 400, 000
Federal Works Agency:						
Office of the Administrator, war public works (community facilities)-----	38, 317, 591	19, 115, 000	<sup>1</sup> 5, 415, 000	-----	13, 700, 000	24, 617, 591
Public Buildings Administration:						
Emergency safeguarding of public buildings and property-----	1, 328, 883	750, 000	-----	-----	750, 000	578, 883
Construction of temporary office buildings, Washington, D. C.-----	206, 294	<sup>2</sup> 153, 399	-----	-----	<sup>2</sup> 153, 399	52, 895
Public Roads Administration: Flight strips (national defense)-----	1, 353, 353	318, 008	-----	-----	318, 008	1, 035, 345

<sup>2</sup> Estimated amount; not included in Budget total.<sup>1</sup> Decrease.



*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—**  
Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Executive Office of the President—Continued						
National Housing Agency:						
Office of the Administrator:						
War housing-----	\$155, 019, 095	\$56, 097, 500	\$18, 257, 500	-----	\$74, 355, 000	\$80, 664, 095
War housing in and near the District of Columbia-----	4, 000, 019	3, 372, 000	-----	-----	3, 372, 000	628, 019
Reserves-----	3 75, 000, 000	-----	50, 000, 000	-----	50, 000, 000	25, 000, 000
Department of Agriculture:						
Emergency rubber project-----	5, 778, 790	961, 790	-----	\$688, 000	1, 649, 790	4, 129, 000
War Food Administration, salaries and expenses-----	14, 986, 472	3, 116, 894	-----	-----	3, 116, 894	11, 869, 578
Emergency supplies for Territories and possessions-----	33, 753, 638	15, 000, 000	-----	10, 000, 000	25, 000, 000	8, 753, 638
Estimated.						

Department of Commerce:									
Office of the Secretary, salaries and expenses, National Inventors Council service staff-----	75,000	6,000	-----	5,000	11,000	64,000			
Office of Administrator of Civil Aeronautics, development of landing areas-----	399,333,050	2,074,698	-----	2,925,302	5,000,000	394,333,050			
Department of the Interior:									
Office of the Secretary, salaries and expenses, Division of Geography-----	25,000	-----	-----	20,000	20,000	5,000			
War Relocation Authority, salaries and expenses-----	25,000,000	-----	-----	5,000,000	5,000,000	20,000,000			
Office of Fishery Coordination, salaries and expenses-----	212,500	57,000	-----	-----	57,000	155,500			
Solid Fuels Administration for War, salaries and expenses-----	3,600,000	275,000	-----	-----	275,000	3,325,000			
Bureau of Mines:									
Enforcement of Federal Explosives Act-----	100,000	27,900	-----	-----	27,900	72,100			
Investigation of raw material resources for steel production (national defense)-----	1,250,000	180,000	-----	-----	180,000	1,070,000			
Construction and equipment of helium plants-----	1,150,616	260,000	-----	-----	260,000	890,616			
Manganese beneficiation pilot plants and research (national defense)-----	450,000	50,000	-----	-----	50,000	400,000			
Production of alumina from low-grade bauxite, alumina clays, and alunite (national defense)-----	650,000	200,000	-----	-----	200,000	450,000			

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS—Con.**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 280	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
<b>Department of the Interior—Continued</b>						
<b>Bureau of Mines—Continued</b>						
Investigation of bauxite and alunite ores and aluminum clay deposits (national defense) -----	\$500, 000	\$350, 000	-----	-----	\$350, 000	\$150, 000
Magnesium pilot plants and research (national defense) -----	400, 000	150, 000	-----	-----	150, 000	250, 000
Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense) -----	2, 100, 000	420, 000	-----	-----	420, 000	1, 680, 000
<b>Department of Justice:</b>						
<b>Legal activities and general administration:</b>						
War Division, Salaries and expenses -----	390, 000	100, 000	-----	-----	100, 000	290, 000
Federal Bureau of Investigation, salaries and expenses, detection and prosecution of crimes (emergency) -----	27, 829, 000	2, 480, 000	-----	-----	2, 480, 000	25, 349, 000

Department of Labor:									
Office of the Secretary:									
Salaries and expenses (national defense)-----	63,000	1,388	-----	-----	-----	-----	1,388	61,612	
Salaries and expenses, safety and health program (national defense)-----	149,215	60,000	-----	-----	-----	-----	60,000	89,215	
Children's Bureau:									
Grants to States for emergency maternity and infant care (national defense)-----	44,189,500	-----	-----	\$8,113,600	-----	-----	8,113,600	36,075,900	
War--Civil functions:									
The Panama Canal, maintenance and operation of the Panama Canal-----	24,859,839	3,205,855	-----	-----	-----	\$1,794,145	5,000,000	19,859,839	
Total, title I--Executive office of the President, independent offices, and executive departments-----	15,344,474,093	2,756,134,793	-----	85,650,004	114,844,248	-----	2,956,629,045	12,387,845,048	
CONTRACTUAL AUTHORIZATIONS									
Defense aid--Lend-lease-----	600,000,000	600,000,000	-----	-----	-----	-----	600,000,000	-----	
U. S. Maritime Commission: Construction fund-----	600,963,502	190,000,000	135,900,000	-----	-----	-----	325,900,000	275,063,502	
Public Roads Administration:									
Strategic highway network-----	26,684,494	1,484,363	-----	-----	-----	-----	1,484,363	25,200,131	
Access roads-----	56,043,214	3,076,845	-----	-----	-----	-----	3,076,845	52,966,369	
Total, contractual authorizations-----	1,283,691,210	794,561,208	135,900,000	-----	-----	-----	930,461,208	353,230,002	
Grand total, title I-----	16,628,165,303	3,550,696,001	221,550,014	114,844,248	-----	-----	3,887,090,253	12,741,075,050	



*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

### TITLE II—MILITARY ESTABLISHMENT

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 290	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
CASH APPROPRIATIONS						
Office of Secretary of War:						
Contingencies of the Army, 1942-46-----	\$27, 829, 151	\$9, 000, 000	-----	\$3, 829, 151	\$12, 829, 151	\$15, 000, 000
Expediting production of equipment and supplies for national defense, 1940-46--	728, 091, 094	257, 892, 000	-----	25, 000, 000	282, 892, 000	445, 199, 094
General Staff Corps:						
Contingent fund, Chief of Staff, Army, 1942-46-----	129, 335, 489	100, 000, 000	-----	24, 335, 489	124, 335, 489	5, 000, 000
Special field exercises, Army, 1942-46-----	55, 942, 879	49, 800, 000	-----	1, 446, 874	51, 246, 874	4, 696, 005
Finance Department:						
Expenses of courts martial-----	653, 158	36, 000	-----	-----	36, 000	617, 158
Apprehension of deserters-----	834, 569	171, 000	-----	-----	171, 000	663, 569
Quartermaster Corps:						
Welfare of enlisted men-----	73, 070, 630	-----	-----	10, 000, 000	10, 000, 000	63, 070, 630
Subsistence of the Army-----	3, 544, 930, 494	1, 497, 310, 000	\$60, 371, 479	204, 400, 000	1, 762, 081, 479	1, 782, 849, 015
Regular supplies of the Army-----	1, 098, 923, 469	551, 018, 000	10, 000, 000	-----	561, 018, 000	537, 905, 469

Clothing and equipage-----	2, 560, 042, 540	1, 541, 225, 000	22, 000, 000	-----	1, 563, 225, 000	996, 817, 540
Horses, draft and pack animals-----	1, 957, 783	1, 670, 000	-----	-----	1, 670, 000	287, 783
Army transportation-----	256, 084, 401	5, 000, 000	-----	42, 000, 000	47, 000, 000	209, 084, 401
Transportation Corps: Transportation service, Army, 1945-46-----	2, 280, 999, 275	654, 268, 000	40, 000, 000	10, 000, 000	704, 268, 000	1, 576, 731, 275
Signal Corps: Signal Service of the Army, 1942-46-----	3, 067, 149, 881	1, 854, 434, 000	<sup>1</sup> 175, 000, 000	-----	1, 679, 434, 000	1, 387, 715, 881
Air Corps, Army, 1942-46-----	22, 439, 101, 841	10, 434, 713, 000	<sup>2</sup> 372, 000, 000	<sup>3</sup> 1, 359, 000, 000	12, 166, 313, 000	10, 272, 788, 841
Medical Department: Medical and Hospital Department, Army, 1942-46-----	541, 540, 096	263, 039, 000	5, 000, 000	-----	268, 039, 000	273, 501, 096
Corps of Engineers:						
Engineer service-----	4, 064, 046, 126	2, 011, 648, 000	42, 760, 571	-----	2, 054, 408, 571	2, 009, 637, 555
Military posts-----	447, 517, 777	148, 255, 000	-----	-----	148, 255, 000	299, 262, 777
Barracks and quarters, Army-----	624, 104, 201	52, 860, 000	76, 000, 000	18, 000, 000	146, 860, 000	477, 244, 201
Ordnance Department: Ordnance service and supplies, Army, 1942-46-----	11, 433, 801, 191	8, 283, 425, 000	-----	16, 575, 000	8, 300, 000, 000	3, 133, 801, 191
Chemical Warfare Service, Army, 1942-46-----	1, 308, 587, 078	955, 870, 000	42, 000, 000	-----	997, 870, 000	310, 717, 078
Special service schools:						
Infantry school-----	667, 560	81, 000	-----	-----	81, 000	586, 560
Cavalry activities-----	144, 164	22, 700	-----	-----	22, 700	121, 464
Field Artillery activities-----	690, 757	74, 300	-----	-----	74, 300	616, 457

<sup>1</sup> Retraction.<sup>2</sup> Applicable to "Pay of the Army."<sup>3</sup> \$795,600,000 applicable to "Pay of the Army."

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE II—MILITARY ESTABLISHMENT—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 290	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Seacoast defenses, general, 1942-46-----	\$22, 235, 351	\$1, 664, 000	-----	-----	\$1, 664, 000	\$20, 571, 351
U. S. Military Academy: Pay of Military Academy, 1942-46-----	1, 988, 067	21, 000	-----	-----	21, 000	1, 967, 067
Inter-American Relations, War Department, 1943-46-----	602, 471	75, 000	-----	-----	75, 000	527, 471
Office of the Secretary:						
Contingent expenses, War Department, 1942-46-----	8, 303, 785	1, 200, 000	-----	-----	1, 200, 000	7, 103, 785
Printing and binding, War Department, 1942-46-----	68, 608, 652	18, 000, 000	-----	-----	18, 000, 000	50, 608, 652
Total, title II, Military Establishment (all cash)-----	54, 787, 783, 930	28, 692, 772, 000	\$495, 132, 050	\$1, 715, 186, 514	30, 903, 090, 564	23, 884, 693, 366

## TITLE III—NAVAL ESTABLISHMENT

CASH APPROPRIATIONS							
Office of the Secretary of the Navy:							
Miscellaneous expenses, Navy, 1946-----	\$40, 500, 000	\$10, 800, 000	-----	\$2, 200, 000	\$13, 000, 000	\$27, 500, 000	
Contingent, Navy, 1946-----	145, 000	20, 000	-----	-----	20, 000	125, 000	
Naval emergency fund, 1946-----	4, 000, 000	2, 500, 000	-----	500, 000	3, 000, 000	1, 000, 000	
Naval Research Laboratory, 1946-----	4, 390, 000	90, 000	-----	-----	90, 000	4, 300, 000	
Operation and conservation of naval petroleum reserves, 1946-----	8, 755, 000	18, 000	-----	-----	18, 000	8, 737, 000	
Bureau of Naval Personnel:							
Training, education, and welfare, Navy:							
Naval training station, Great Lakes, Ill., 1946-----	5, 700, 000	700, 000	-----	-----	700, 000	5, 000, 000	
Naval training station, Port Deposit, Md., 1946-----	4, 038, 000	500, 000	-----	-----	500, 000	3, 538, 000	
Fleet training, Navy, 1946-----	320, 000	78, 000	-----	-----	78, 000	242, 000	
Instruction, Navy, 1946-----	23, 000, 000	6, 030, 000	-----	3, 000, 000	9, 000, 000	14, 000, 000	
Libraries, Navy, 1946-----	2, 877, 196	877, 000	-----	375, 935	1, 252, 935	1, 624, 261	
Welfare and recreation, Navy, 1946--	15, 124, 000	3, 124, 000	-----	1, 000, 000	4, 124, 000	11, 000, 000	
Miscellaneous expenses, Bureau of Naval Personnel, 1946-----	90, 000	20, 000	-----	-----	20, 000	70, 000	
Naval Reserve, 1946-----	138, 000, 000	43, 362, 000	-----	6, 638, 000	50, 000, 000	88, 000, 000	



*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE III—NAVAL ESTABLISHMENT—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 286	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—Continued</b>						
<b>Bureau of Ships:</b>						
Maintenance, Bureau of Ships, 1946-----	\$2, 790, 000, 000	\$1, 300, 000, 000	-----	\$168,000,000	\$1, 468, 000, 000	\$1,322,000,000
Defense installations on merchant vessels, Navy-----	21, 458, 123	13, 658, 123	-----	-----	13, 658, 123	7, 800, 000
Bureau of Ordnance: Ordnance and ordnance stores, Navy, 1946-----	3, 000, 000, 000	2, 550, 451, 000	-----	49, 549, 000	2, 600, 000, 000	400, 000, 000
<b>Bureau of Supplies and Accounts:</b>						
Pay and subsistence of naval personnel, 1946-----	6, 736, 227, 000	822, 851, 000	\$153,634,875	140, 883, 325	1, 117, 369, 200	5, 618, 857, 800
Maintenance, 1946-----	503, 347, 800	51, 314, 000	496, 000	29, 504, 000	81, 314, 000	422, 033, 800
Transportation of things, Navy, 1946-----	550, 000, 000	109, 045, 000	5, 991, 282	25, 000, 000	140, 036, 282	409, 963, 718
Fuel, Navy, 1946-----	250, 000, 000	72, 183, 000	505, 000	27, 312, 000	100, 000, 000	150, 000, 000
Bureau of Medicine and Surgery: Medical Department, Navy, 1946-----	120, 000, 000	30, 000, 000	-----	-----	30, 000, 000	90, 000, 000
<b>Bureau of Yards and Docks:</b>						
Maintenance, 1946-----	150, 000, 000	1, 000, 000	-----	14, 000, 000	15, 000, 000	135, 000, 000
Public Works, cash-----	1, 579, 231, 400	400, 000, 000	-----	-----	400, 000, 000	1, 179, 231, 400

Bureau of Aeronautics: Aviation, Navy, 1946-----	2, 481, 050, 000	1, 404, 300, 000	7, 648, 300	69, 351, 700	1, 481, 300, 000	999, 750, 000
Marine Corps:						
Pay, 1946-----	751, 630, 000	26, 902, 890	43, 010, 370	-----	69, 913, 260	681, 716, 740
General expenses, 1946-----	647, 447, 000	279, 099, 439	23, 077, 692	7, 822, 869	310, 000, 000	337, 447, 000
Increase and replacement of naval vessels:						
Construction and machinery, cash-----	3, 297, 807, 551	732, 104, 151	-----	-----	732, 104, 151	2, 565, 703, 400
Armor, armament, and ammunition, cash-----	1, 351, 876, 967	276, 876, 967	-----	-----	276, 876, 967	1, 075, 000, 000
Emergency construction, cash-----	367, 115, 570	38, 385, 489	-----	-----	38, 385, 489	328, 730, 081
Repair facilities, Navy, cash-----	151, 266, 050	38, 266, 050	-----	-----	38, 266, 050	113, 000, 000
Coast Guard:						
Pay and allowances, 1946-----	393, 737, 800	73, 211, 314	-----	6, 788, 686	80, 000, 000	313, 737, 800
General expenses, 1946-----	62, 285, 000	13, 679, 000	-----	6, 321, 000	20, 000, 000	42, 285, 000
Establishing and improving aids to navigation-----	2, 019, 649	346, 000	-----	-----	346, 000	1, 673, 649
Acquisition of vessels and shore facilities-----	61, 837, 258	2, 741, 000	-----	-----	2, 741, 000	59, 096, 258
Emergency construction, vessels and shore facilities (Navy), cash-----	807, 672	231, 000	-----	-----	231, 000	576, 672
Special projects, vessels (Navy) cash-----	182, 551	127, 000	-----	-----	127, 000	55, 551
Special projects, aids to navigation, light-house (Navy), cash-----	67, 975	28, 699	-----	-----	28, 699	39, 276
Special projects, aids to navigation (Navy), cash-----	1, 729, 336	556, 000	-----	-----	556, 000	1, 173, 336

*Statement showing appropriation or contract authorization available July 1, 1945, rescissions recommended and availability remaining for the whole fiscal year period—Continued*

**TITLE III—NAVAL ESTABLISHMENT—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945	Recommended rescission in H. Doc. 286	Subsequent rescission recommendations	Additional rescission recommended by committee	Total rescission proposed in bill	Available balance for whole fiscal year period
<b>CASH APPROPRIATIONS—continued</b>						
Navy Department:						
Contingent and miscellaneous expenses, Hydrographic Office, 1946-----	\$3, 790, 000	\$413, 000	-----	-----	\$413, 000	\$3, 377, 000
Various appropriations, Naval Establishment and Navy Department, fiscal year 1945 and prior years-----	45, 824, 727, 916	5, 306, 252, 674	-----	-----	5, 306, 252, 674	40, 518, 475, 242
Total, title III, Naval Establishment, cash appropriations, 1946 and prior fiscal years-----	71, 346, 581, 814	13, 612, 111, 796	\$234, 363, 519	\$558, 246, 515	14, 404, 721, 830	56, 941, 859, 984
<b>CONTRACTUAL AUTHORIZATIONS</b>						
Public works-----	1, 664, 046, 697	1, 184, 880, 000	-----	45, 000, 000	1, 229, 880, 000	434, 166, 697
Aviation, Navy-----	2, 000, 000, 000	2, 000, 000, 000	-----	-----	2, 000, 000, 000	-----
Repair facilities, Navy-----	40, 633, 533	27, 562, 131	-----	-----	27, 562, 131	13, 071, 402
Total, contractual authorizations-----	3, 704, 680, 230	3, 212, 442, 131	-----	45, 000, 000	3, 257, 442, 131	447, 238, 099
Grand total, title III-----	75, 051, 262, 044	16, 824, 553, 927	234, 363, 519	603, 239, 515	17, 662, 163, 961	57, 389, 098, 083







Union Calendar No. 335

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 4407**

[Report No. 1125]

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IN THE HOUSE OF REPRESENTATIVES

OCTOBER 17, 1945

Mr. CANNON of Missouri introduced the following bill; which was referred to the Committee on Appropriations

OCTOBER 17, 1945

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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**A BILL**

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the appropriations and contractual authorizations of the  
4       departments and agencies available in the fiscal year 1946,  
5       and prior year unreverted appropriations, are hereby reduced  
6       in the sums hereinafter set forth, such sums to be carried to  
7       the surplus fund and covered into the Treasury immediately  
8       upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$5,226,461, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from “\$234,-  
10 000” to “\$150,000”, (2) reimbursement to employees  
11 for emergency or extraordinary expenses from “\$75,-  
12 000” to “\$40,000”, and (3) expenses of a confidential  
13 character from “\$1,200,000” to “\$25,000”.

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from “\$452,500” to “\$150,000”,  
21 (2) printing and binding from “\$47,500” to “\$14,000”  
22 (of which the amount available outside continental  
23 United States is decreased from “\$1,800” to “\$500”),  
24 and (3) penalty mail costs from “\$118,900” to  
25 “\$53,000”.

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$10,662,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from "\$45,800" to "\$25,000", (2) travel within continental United States from "\$267,500" to "\$230,000", (3) printing and binding within continental United States from "\$1,000,000" to "\$550,000", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$40,000".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),



1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3       Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6       Migration of workers, \$479,000.

7       War Production Board:

8       Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to  
12      "\$105,000", (3) printing and binding from "\$648,-  
13      000" to "\$346,000", and (4) salary of the head of the  
14      agency from "\$15,000" to "\$12,000", except that so  
15      long as the position is held by the present incumbent  
16      the salary shall remain at \$15,000.

17      War Shipping Administration:

18      Revolving fund, \$195,452,000.

19      Maritime training fund, \$25,000,000.

20      Marine and war risk insurance fund, revolving fund,  
21      \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24      Salaries and expenses, \$25,929,000, and limitations  
25      under this head are hereby decreased as follows: (1)

1 Printing and binding from “\$1,470,000” to “\$961,064”,  
2 (2) traveling expenses from “\$7,949,700” to “\$6,-  
3 780,000”, and (3) penalty mail costs from “\$5,-  
4 210,550” to “\$3,085,000”.

5 Office of Strategic Services:

6 Salaries and expenses, \$11,500,000, and limitations  
7 under this head are hereby decreased as follows: (1)  
8 expenditures without regard to provisions of law and  
9 regulations from “\$10,500,000” to “\$2,000,000”, and  
10 (2) expenditures for objects of a confidential nature  
11 from “\$10,000,000” to “\$1,750,000”.

12 Petroleum Administration for War:

13 Salaries and expenses, \$1,800,000, and limitations  
14 under this head are hereby decreased as follows: (1)  
15 personal services without regard to civil-service and  
16 classification laws from “\$250,000” to “\$125,000”,  
17 and (2) travel expenses from “\$263,700” to  
18 “\$100,000”.

19 In all, Office for Emergency Management, \$447,-  
20 886,225.

21 EMERGENCY FUNDS APPROPRIATED TO THE  
22 PRESIDENT

23 Emergency fund for the President, national defense,  
24 \$45,000,000.

1        Defense aid—lend-lease:

2        (1) Ordnance and ordnance stores, supplies, spare parts,  
3 and materials, \$57,990,000.

4        (2) Aircraft and aeronautical material, \$85,705,000.

5        (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8        (4) Vessels, ships, boats, and other watercraft, \$76,-  
9 080,000.

10       (5) Miscellaneous military equipment, supplies and  
11 materials, \$8,963,000.

12       (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15       (7) Agricultural, industrial, and other commodities  
16 and articles, \$1,351,216,000, and the \$500,000,000 made  
17 available by title II of the Second Deficiency Appropriation  
18 Act, 1945, as a reserve for expenditure for postwar price  
19 support of agriculture shall be paid to the Commodity Credit  
20 Corporation and continued as a reserve fund for expendi-  
21 ture, as and when necessary, for the postwar price support  
22 of agriculture.

23       (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good work-

1 ing order any defense articles for the government of any  
2 country whose defense the President deems vital to the  
3 defense of the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national de-  
16 fense), \$930,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund,  
24 Act June 29, 1936, revolving fund, \$496,500,000.



## FEDERAL SECURITY AGENCY

## Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322".

## SOCIAL SECURITY BOARD

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith, as authorized in title III of the Social Security Act, approved August 14, 1935, as amended, \$30,000,000, which shall be in addition to the amounts appropriated for such purposes in title II of the Labor-Federal Security Appropriation Act, 1946.

## FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and

1 353, Seventy-seventh Congress, and of section 201 of the  
2 Second Supplemental National Defense Appropriation Act,  
3 1941, as amended, shall be available for expenses of disposi-  
4 tion and removal, including the establishment of necessary  
5 reserves therefor and administrative expenses in connection  
6 therewith: *Provided*, That moneys derived by said Admin-  
7 istrator from the disposition of any such property or the re-  
8 moval of any such temporary housing may be deposited in a  
9 common fund account or accounts in the Treasury: *And pro-*  
10 *vided further*, That except for necessary reserves authorized  
11 by this Act or by section 201 of the Second Supplemental  
12 National Defense Appropriation Act, 1941, as amended, the  
13 unobligated balances of the moneys deposited into the Treas-  
14 ury from the disposition of any such property or the removal  
15 of any such temporary housing shall be covered at the end of  
16 each fiscal year into miscellaneous receipts.

17 “(c) Moneys in the reserve account established by the  
18 National Housing Administrator pursuant to subsections (a)  
19 and (b) of this section 303 shall not exceed \$25,000,000  
20 at any time: *Provided*, That all moneys in said account shall  
21 be covered into miscellaneous receipts not later than two  
22 years after the President shall have declared that the emer-  
23 gency declared by him on September 8, 1939, has ceased  
24 to exist.”

25 In all, independent offices, \$666,505,849.

## EXECUTIVE DEPARTMENTS

[Non-War]

## DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.



1       Agricultural Research Administration:

2           Bureau of Animal Industry, salaries and expenses  
3       (meat inspection) ;

4           Bureau of Plant Industry, Soils, and Agricultural  
5       Engineering, salaries and expenses (fruit, vegetable, and  
6       specialty crops) ;

7           Bureau of Entomology and Plant Quarantine, sala-  
8       ries and expenses (foreign plant quarantine) .

9           Forest Service:

10               Salaries and expenses (national forest protec-  
11       tion and management) ;

12               Forest-fire cooperation.

13                       DEPARTMENT OF COMMERCE

14       Office of the Secretary: Salaries and expenses, National  
15   Inventors Council Service Staff, \$11,000.

16       Office of Administrator of Civil Aeronautics: Develop-  
17   ment of landing areas, \$5,000,000.

18       The following appropriations shall be so administered  
19   as to avoid the incurrence of deficiencies therein except for  
20   such added expense occasioned by the Federal Employees  
21   Pay Act of 1945 as it may not be practicable to absorb,  
22   namely:

23       Coast and Geodetic Survey, salaries and expenses, de-  
24   partmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division  
of Geography, \$20,000.

War Relocation Authority: Salaries and expenses,  
War Relocation Authority, Department of the Interior,  
\$5,000,000.

Office of Fishery Coordination: Salaries and expenses,  
\$57,000.

Solid Fuels Administration for War:

Salaries and expenses, \$275,000, and on April 1,  
1946, the sum of \$150,000 of said appropriation shall  
be transferred to the appropriation "Economics of  
mineral industries", Bureau of Mines, and the limitation  
in said latter appropriation for personal services in the  
District of Columbia shall be increased from "397,500"  
to "\$529,000".

Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel pro-  
duction (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (na-  
tional defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

#### DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$2,480,000.

#### DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as

1 authorized in the Department of Labor Appropriation  
2 Act, 1946.

3 United States Employment Service:

4 Employment office facilities and services: The un-  
5 expended and unobligated balances, on the thirtieth day  
6 after the date of the enactment of this Act, of appro-  
7 priations made in the first paragraph under the heading  
8 "Employment Office Facilities and Services" in title  
9 VII of the Labor-Federal Security Appropriation Act,  
10 1946, shall, on such thirtieth day, be carried to the  
11 surplus fund and covered into the Treasury.

12 WAR DEPARTMENT

13 The Panama Canal: Maintenance and operation of the  
14 Panama Canal, \$5,000,000.

15 In all, executive departments, \$49,408,972.

16 In all, title I, \$2,956,629,045.

17 Miscellaneous Provisions, Title I

18 REDUCTIONS IN CONTRACT AUTHORIZATIONS

19 Contract authorizations of the departments and agencies  
20 available in the fiscal year 1946 are hereby reduced in the  
21 sums hereinafter set forth:

22 EXECUTIVE OFFICE OF THE PRESIDENT

23 Emergency funds appropriated to the President: Defense  
24 aid—lend-lease, \$600,000,000.



## 1 INDEPENDENT OFFICES

2 United States Maritime Commission: Construction fund,  
3 Act June 29, 1936, revolving fund, \$325,900,000.

## 4 FEDERAL WORKS AGENCY

5 Public Roads Administration:

6 Strategic highway network, \$1,484,363.

7 Access roads, \$3,076,845.

## 8 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

## 9 EXPENSES

10 Limitations on amounts from funds of corporations and  
11 other agencies for administrative expenses are hereby re-  
12 duced in the following sums:

## 13 EXECUTIVE OFFICE OF THE PRESIDENT

14 Office for Emergency Management: Foreign Economic  
15 Administration, Rubber Development Corporation, \$249,500.

16 Alien Property Custodian, \$500,000.

17 War Shipping Administration:

18 Revolving fund, \$4,312,000.

19 Maritime training fund, \$519,357.

## 20 INDEPENDENT OFFICES

21 Smaller War Plants Corporation:

22 Administrative expenses, \$1,550,000, and the limita-  
23 tion under this head on the amount for penalty-mail costs  
24 is hereby decreased from "\$50,000" to "\$40,000".

1 United States Maritime Commission:

2 Construction fund, Act June 29, 1936, revolving  
3 fund, \$2,687,450.

4 EXTENDING AVAILABILITY OF APPROPRIATIONS

5 The following appropriations for the fiscal year 1946  
6 are hereby continued available until June 30, 1946, except  
7 as modified in this title.

8 Executive Office of the President:

9 Bureau of the Budget, national defense activities,  
10 independent offices:

11 Civil Service Commission, salaries and expenses  
12 (national defense).

13 Federal Communications Commission, salaries  
14 and expenses (national defense).

15 Federal Power Commission: National defense ac-  
16 tivities.

17 Federal Security Agency:

18 Office of the Administrator:

19 Salaries and expenses, Office of Community  
20 War Services;

21 Expenses, temporary aid to enemy aliens and  
22 other restricted persons.

23 Department of the Interior:

1 Office of the Secretary:

2 Salaries and expenses, Division of Geography,  
3 Department of the Interior.

4 CORPORATE FUNDS TO BE TRANSFERRED TO THE  
5 TREASURY

6 EXECUTIVE OFFICE OF THE PRESIDENT

7 Office for Emergency Management:

8 Office of Inter-American Affairs: The Director of  
9 the Office of Inter-American Affairs is hereby directed  
10 to deposit in the Treasury of the United States as mis-  
11 cellaneous receipts the following sums representing ex-  
12 cess funds of corporations created by the Coordinator of  
13 Inter-American Affairs under authority of law:

14 Institute of Inter-American Transportation,  
15 \$315,500.

16 Prencinradio, Incorporated, \$875,000.

17 GENERAL PROVISIONS

18 In order to accomplish the liquidation of any temporary  
19 agency of the Government created to perform functions in  
20 connection with the national security and defense, there may  
21 be transferred to such liquidating agency as the President  
22 may designate, such amount from the funds of the agency  
23 to be liquidated as the Bureau of the Budget shall determine  
24 is necessary therefor.

## TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-1946,  
\$12,829,151.

Expediting Production of Equipment and Supplies  
for National Defense, 1940-1946, \$282,892,000.

General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946,  
\$124,335,489.

Special Field Exercises, Army, 1942-1946,  
\$51,246,874.

Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and  
subappropriations under this head are hereby decreased  
as follows: (1) Expenses of courts martial, \$36,000;  
and (2) Apprehension of deserters, \$171,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, \$3,944,-  
994,479, and subappropriations under this head are  
hereby decreased as follows: (1) Welfare of enlisted  
men, \$10,000,000; (2) subsistence of the Army,  
\$1,762,081,479; (3) regular supplies of the Army,  
\$561,018,000; (4) clothing and equipage, \$1,563,-  
225,000; (5) horses, draft and pack animals, \$1,670,-



1 000; and (6) Army transportation, \$47,000,000.

2 Transportation Corps:

3 Transportation Service, Army, 1945-1946, \$704,-  
4 268,000.

5 Signal Corps:

6 Signal Service of the Army, 1942-1946, \$1,679,-  
7 434,000.

8 Air Corps:

9 Air Corps, Army, 1942-1946, \$12,166,313,000.

10 Medical Department:

11 Medical and Hospital Department, Army, 1942-  
12 1946, \$268,039,000.

13 Corps of Engineers:

14 Engineer Service, Army, 1942-1946, \$2,349,523,-  
15 571, and subappropriations under this head are hereby  
16 decreased as follows: (1) Engineer Service, \$2,054,-  
17 408,571; (2) Military posts, \$148,255,000; and (3)  
18 Barracks and quarters, Army, \$146,860,000.

19 Ordnance Department:

20 Ordnance Service and Supplies, Army, 1942-1946,  
21 \$8,300,000,000.

22 Chemical Warfare Service:

23 Chemical Warfare Service, Army, 1942-1946,  
24 \$997,870,000.

1 Special Service Schools:

2 Special Service Schools, Army, 1942-1946,  
3 \$178,000, and subappropriations under this head are  
4 hereby decreased as follows: (1) Infantry School,  
5 \$81,000; (2) Cavalry activities, \$22,700; and (3)  
6 Field Artillery activities, \$74,300.

7 Seacoast defenses:

8 Seacoast defenses, general, 1942-1946, \$1,664,000.

9 United States Military Academy: Pay of Military  
10 Academy, 1942-1946, \$21,000.

11 Inter-American Relations, War Department: Inter-  
12 American Relations, War Department, 1943-1946, \$75,000.

13 Office of the Secretary:

14 Contingent expenses, War Department, 1942-1946,  
15 \$1,200,000.

16 Printing and binding, War Department, 1942-1946,  
17 \$18,000,000.

18 TRANSFER OF APPROPRIATIONS

19 In addition to the transfers authorized by section 3 of the  
20 Military Appropriation Act, 1946, transfers of not to exceed  
21 the amounts hereinafter set forth may be made, with the  
22 approval of the Bureau of the Budget, from the appropriation  
23 "Ordnance Service and Supplies, Army", to the following  
24 appropriations:

1 Army War College, \$23,819;

2 Command and General Staff School, Fort Leavenworth,  
3 Kansas, \$30,189;

4 Quartermaster Service, Army, \$7,881,967;

5 Rock Island Bridge, Rock Island, Illinois, \$5,719;

6 Instruction in armored force activities, \$389,756;

7 Maintenance and Operation, United States Military  
8 Academy, \$1,323,884.

9 GENERAL PROVISION

10 Appropriations for the Military Establishment for the  
11 fiscal year 1946 available for expenses of travel may be  
12 used under regulations prescribed by the Secretary of War,  
13 for the payment, in lieu of transportation in kind or move-  
14 ment at Government expense authorized by law for de-  
15 pendants, of 4 cents per mile for dependents twelve years  
16 of age or over and of 2 cents per mile for dependents be-  
17 tween five and twelve years of age, in advance or other-  
18 wise, in accordance with distances established for payment  
19 and settlement of mileage accounts of officers pursuant to  
20 the provisions of the Act of June 12, 1906, as amended  
21 (34 Stat. 246; 10 U. S. C. 870).

22 In all, title II, \$30,903,090,564.

## TITLE III—NAVAL ESTABLISHMENT

## Office of the Secretary:

## Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$13,000,000.

## Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

## Naval emergency fund:

Fiscal year 1945, \$25,477.

Fiscal year 1946, \$3,000,000.

## Naval Research Laboratory:

Fiscal year 1944, \$5,185.

Fiscal year 1945, \$3,002.

Fiscal year 1946, \$90,000.

## Operation and conservation of naval petroleum reserves:

Fiscal year 1944, \$6,986.

Fiscal year 1945, \$6,353.

Fiscal year 1946, \$18,000.

## Ocean and lake surveys, Navy:

Fiscal year 1944, \$6,677.

Fiscal year 1945, \$21,298.



1 Bureau of Naval Personnel:

2 Naval War College:

3 Fiscal year 1944, \$4,521.

4 Fiscal year 1945, \$2,886.

5 Naval Training Station, San Diego, California:

6 Fiscal year 1944, \$232,338.

7 Fiscal year 1945, \$327,515.

8 Naval Training Station, Newport, Rhode Island:

9 Fiscal year 1944, \$823.

10 Fiscal year 1945, \$256.

11 Naval Training Station, Great Lakes, Illinois:

12 Fiscal year 1944, \$459,244.

13 Fiscal year 1945, \$29,510.

14 Fiscal year 1946, \$700,000.

15 Naval Training Station, Norfolk, Virginia:

16 Fiscal year 1944, \$4,488.

17 Fiscal year 1945, \$14,879.

18 Naval Training Station, Lake Pend Oreille, Idaho:

19 Fiscal year 1944, \$54,790.

20 Fiscal year 1945, \$604,708.

21 Naval Training Station, Lake Seneca, New York:

22 Fiscal year 1944, \$38,894.

23 Fiscal year 1945, \$3,209.

1 Naval Training Station, Port Deposit, Maryland:

2 Fiscal year 1945, \$2,794.

3 Fiscal year 1946, \$500,000.

4 Fleet Training, Navy:

5 Fiscal year 1944, \$11,108.

6 Fiscal year 1945, \$164,695.

7 Fiscal year 1946, \$78,000.

8 Instruction, Navy:

9 Fiscal year 1944, \$2,151,364.

10 Fiscal year 1945, \$120,000.

11 Fiscal year 1946, \$9,000,000.

12 Libraries, Navy:

13 Fiscal year 1944, \$145,920.

14 Fiscal year 1945, \$1,693.

15 Fiscal year 1946, \$1,252,935.

16 Welfare and Recreation, Navy:

17 Fiscal year 1944, \$903,681.

18 Fiscal year 1946, \$4,124,000.

19 Naval Reserve Officers' Training Corps:

20 Fiscal year 1944, \$237,300.

21 Fiscal year 1945, \$88,337.

22 Miscellaneous expenses, Bureau of Naval Personnel:

23 Fiscal year 1944, \$3,009.

24 Fiscal year 1945, \$124.

1 Fiscal year 1946, \$20,000.

2 Naval Reserve:

3 Fiscal year 1944, \$54,961,800.

4 Fiscal year 1945, \$24,511,154.

5 Fiscal year 1946, \$50,000,000.

6 Pay, Naval Academy:

7 Fiscal year 1944, \$88,394.

8 Fiscal year 1945, \$93,796.

9 Maintenance, Naval Academy:

10 Fiscal year 1944, \$6,877.

11 Fiscal year 1945, \$2,529.

12 Naval Home, Philadelphia, Pennsylvania:

13 Fiscal year 1944, \$610.

14 Fiscal year 1945, \$1,250.

15 Naval Prison Farms and Prison Personnel:

16 Fiscal year 1944, \$10.

17 Fiscal year 1945, \$5,100.

18 Bureau of Ships:

19 Maintenance, Bureau of Ships:

20 Fiscal year 1942, \$43,907,135.

21 Fiscal year 1942-43, \$51,956,375.

22 Fiscal year 1943, \$64,050,351.

23 Fiscal year 1944, \$52,247,000.

24 Fiscal year 1945, \$118,474,000.

25 Fiscal year 1946, \$1,468,000,000.

1        Defense installations on merchant vessels, Navy, \$13,-  
2 658,123.

3 Bureau of Ordnance:

4        Ordnance and ordnance stores, Navy:

5            Fiscal year 1944, \$551,226,542.

6            Fiscal year 1945, \$1,208,752,767.

7            Fiscal year 1946, \$2,600,000,000.

8 Bureau of Supplies and Accounts:

9        Pay, subsistence, and transportation, Navy, 1944, \$128,-  
10 214,285.

11        Pay and subsistence of naval personnel, 1946,  
12 \$1,117,369,200.

13        Maintenance, Bureau of Supplies and Accounts, 1946,  
14 \$81,314,000.

15        Transportation of things, Navy, 1946, \$140,036,282.

16        Fuel, Navy, 1946, \$100,000,000.

17 Bureau of Medicine and Surgery:

18        Medical Department, Navy:

19            Fiscal year 1944, \$14,017,195.

20            Fiscal year 1945, \$12,238,592.

21            Fiscal year 1946, \$30,000,000.

22 Bureau of Yards and Docks:

23        Maintenance, Bureau of Yards and Docks:

24            Fiscal year 1944, \$2,431,496.

25            Fiscal year 1945, \$3,139,211.



1           Fiscal year 1946, \$15,000,000.

2           Public Works, Bureau of Yards and Docks, \$400,-  
3 000,000, and the contract authorization for "Public Works,  
4 Bureau of Yards and Docks" available in the fiscal year  
5 1946 is hereby reduced in the sum of \$1,229,880,000:  
6 *Provided*, That of this amount \$946,000,000 shall apply  
7 against advance base construction, material and equipment.

8 Bureau of Aeronautics:

9           Aviation, Navy:

10           Fiscal year 1943, \$256,482,489.

11           Fiscal year 1943-44, \$193,929,557.

12           Fiscal year 1944, \$811,987,405.

13           Fiscal year 1945, \$1,468,753,102.

14           Fiscal year 1946, \$1,481,300,000, and subappro-  
15 priations under this head are hereby decreased as fol-  
16 lows: (1) New construction and procurement of aircraft  
17 and equipment, spare parts, and so forth, from "\$799,-  
18 128,500" to "\$135,765,200", (2) replacement of navi-  
19 gational and radio equipment for aircraft in service, and  
20 so forth, from "\$168,808,200" to "\$44,934,000", (3)  
21 maintenance, repair, and operation of aircraft factory,  
22 air stations, and so forth, from "\$1,431,840,800" to  
23 "\$758,050,800", and (4) continuing experiments and  
24 developmental work, and so forth, from "\$81,272,500"

to “\$61,000,000”; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

Marine Corps:

Pay, Marine Corps:

Fiscal year 1944, \$41,321,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

Pay of civil force, Office of Quartermaster General, Marine Corps:

Fiscal year 1944, \$844.

Fiscal year 1945, \$1,059.

General expenses, Marine Corps:

Fiscal year 1944, \$79,787,482.

Fiscal year 1945, \$56,737,554.

Fiscal year 1946, \$310,000,000.

1       Increase and replacement of naval vessels:

2               Increase and replacement of naval vessels, con-  
3       struction and machinery, \$732,104,151.

4               Increase and replacement of naval vessels,  
5       armor, armament and ammunition, \$276,876,967.

6               Increase and replacement of naval vessels,  
7       emergency construction, \$38,385,489: *Provided*,  
8       That the balances remaining of appropriations under  
9       “Increase and replacement of naval vessels” shall  
10      not be available for the period of the fiscal year 1946  
11      subsequent to October 16, 1945, for beginning the  
12      construction of any new vessels.

13      Repair facilities, Navy:

14              Repair facilities, Navy, \$38,266,050, and the  
15      contract authorization for “Repair facilities, Navy”,  
16      available in the fiscal year 1946 is hereby reduced  
17      in the sum of \$27,562,131.

18      Coast Guard:

19          Salaries, Office of Commandant, United States Coast  
20      Guard:

21          Fiscal year 1944, \$219.

22          Fiscal year 1945, \$133,293.

23      Pay and allowances, Coast Guard:

24          Fiscal year 1944, \$35,006,326.

1           Fiscal year 1945, \$8,658,922.

2           Fiscal year 1946, \$80,000,000.

3       General expenses, Coast Guard:

4           Fiscal year 1944, \$631,865.

5           Fiscal year 1945, \$1,289,896.

6           Fiscal year 1946, \$20,000,000.

7       Civilian employees, Coast Guard:

8           Fiscal year 1944, \$109,654.

9           Fiscal year 1945, \$200,633.

10       Establishing and improving aids to navigation, Coast  
11 Guard, \$346,000.

12       Acquisition of vessels and shore facilities, Coast Guard,  
13 \$2,741,000.

14       Retired pay, former Lighthouse Service, Coast Guard:

15           Fiscal year 1944, \$73,320.

16           Fiscal year 1945, \$48,109.

17       Salaries, Merchant Marine Inspection, Coast Guard,  
18 1945, \$25,536.

19       Salaries and expenses, Merchant Marine Inspection,  
20 Coast Guard:

21           Fiscal year 1944, \$899,401.

22           Fiscal year 1945, \$373,270.

23       Emergency construction, vessels and shore facilities,  
24 Coast Guard (Navy), \$231,000.



1 Special projects, vessels, Coast Guard (Navy), \$127,-  
2 000.

3 Special projects, aids to navigation, Lighthouse Service,  
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard  
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.

Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Department:

Fiscal year 1944, \$3,452.

Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.

Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.

Salaries, Naval Observatory:

Fiscal year 1944, \$38.

Fiscal year 1945, \$1,117.

Salaries, Bureau of Ships:

Fiscal year 1944, \$2.

Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.

Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

1 Fiscal year 1945, \$94,942.

2 Fiscal year 1946, \$413,000.

3 Contingent and miscellaneous expenses, Naval Observa-  
4 tory:

5 Fiscal year 1944, \$572.

6 Fiscal year 1945, \$40.

7 GENERAL PROVISIONS

8 Provisions of law prohibiting the payment of compensa-  
9 tion to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment during  
11 the fiscal year ending June 30, 1946.

12 Notwithstanding the provisions of section 10 of the Pay  
13 Readjustment Act of 1942 (56 Stat. 364), the Secretary  
14 of the Navy is authorized and directed to issue in kind during  
15 the fiscal year ending June 30, 1946, one service blue uni-  
16 form and overcoat to each enlisted man in the naval service  
17 upon return to the United States from sea and foreign shore  
18 duty upon the sworn statement of such enlisted man that he  
19 was prevented, by competent naval authority, from taking  
20 such articles of clothing with his person at the time of his  
21 assignment to sea and foreign shore duty: *Provided*, That  
22 the value of such articles of clothing shall be charged to the  
23 clothing and small-stores fund.

24 In all, title III, \$14,404,721,830.



1

## GENERAL PROVISION

2 The officer and enlisted personnel strengths of the  
3 Army, Navy, Marine Corps, and Coast Guard shall be  
4 demobilized at a rate not less than would be necessary to  
5 keep within the amounts available for their pay in conse-  
6 quence of the provisions of this Act, unless the President  
7 otherwise shall direct.

8 SEC. 301. This Act may be cited as the “First Supple-  
9 mental Surplus Appropriation Rescission Act, 1946”.

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79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 4407**

[Report No. 1125]

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# **A BILL**

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Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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By Mr. CANNON of Missouri

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OCTOBER 17, 1945

Referred to the Committee on Appropriations

OCTOBER 17, 1945

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

## CONSIDERATION OF H. R. 4407

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OCTOBER 17, 1945.—Referred to the House Calendar and ordered to be printed

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Mr. Cox, from the Committee on Rules, submitted the following

### R E P O R T

[To accompany H. Res. 375]

The Committee on Rules, having had under consideration House Resolution 375, reports the same to the House with the recommendation that the resolution do pass.







to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### REDUCING CERTAIN APPROPRIATIONS AND CONTRACT AUTHORIZATIONS AVAILABLE FOR THE FISCAL YEAR 1946

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 375, Rept. 1131), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and all points of order against said bill are hereby waived; that after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Appropriations, the bill shall be read by appropriation titles for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EXTENSION OF REMARKS

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include an article by his colleague Hon. JERRY H. VOORHIS, on modernizing Congress.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a letter and a resolution.

Mr. JENNINGS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include an editorial from the Tulsa Tribune.

Mr. H. CARL ANDERSEN asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today.

Mr. TABER asked and was given permission to extend his remarks in the RECORD and include an address he delivered over the Columbia Broadcasting System.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include a communication from his district and an editorial from the St. Louis Post-Dispatch.

Mr. LAFOLLETTE asked and was given permission to extend his remarks in the

RECORD and include an address delivered by his colleague the gentlewoman from Maine, Hon. MARGARET C. SMITH.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD.

Mr. HAYS asked and was given permission to extend his remarks in the RECORD.

#### EMPLOYMENT LEGISLATION

Mr. LINK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LINK. Mr. Speaker, I have received petitions from 1,500 members of the Stewart-Warner Local 1154 of the United Electrical, Radio, and Machine Workers of America, Congress of Industrial Organizations, in Chicago, Ill., urging support of their program, namely:

Murray-Patman full employment bill.  
Unemployment compensation, \$25 for 26 weeks.

Minimum wage law, 65 cents per hour.

Permanent Fair Employment Practice Committee—FEPC.

Mr. Speaker, I wish to state that I am wholeheartedly in favor of this program and I shall lend my support and full cooperation in having these measures reported by the legislative committees having jurisdiction so that the House may consider them.

#### APPRENTICE TRAINING FOR VETERANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, from the 1939 national-defense era to VJ-day, the constant cry was for skilled men—men with the all-around know-how of their trades. America's shortage of skilled mechanics was met by the stopgap of dilution of the skills. We had three, four, and more people doing the job of one all-around skilled worker. A study of the 1940 census revealed some startling facts. It showed that we had about 5,000,000 skilled tradesmen in this Nation. Of this number approximately 5½ percent were over 65 years of age. Twenty-five percent of them had learned their trade in a foreign country, before coming to America, and less than 3 percent were beginners, or apprentices.

America reached its place as the greatest industrial nation of the world through the skill and ingenuity of its craftsmen. We have always been able to out produce every other nation on this account. If we are to continue to occupy this position and maintain the high standards of living and safeguard our future security, we must take immediate steps to replenish our reservoir of skilled workmen.

Along with the professional men, the skilled craftsman has always been a respected member of the American community. Through his skill we have been able to enjoy many of the finer things in life. The automobile, the railroads, the

airplane, mechanical refrigeration, telephone are only a few of the things that have been produced through his skill.

The pages of history shows that many of the founders of this great Nation started as apprentices, became journeymen, and later exercised a potent voice in our national affairs. The opportunity to have a trade is one of the things that has made America great. This opportunity should be extended and safeguarded to the millions of American boys who have worked and fought so gallantly to give us victory over our enemies and bring peace to a war-torn world. They are now beginning to return to civilian life. These young men are anxious to take up where they left off when they entered the service 3 or 4 years ago. Uppermost in their minds is the desire to have the opportunity to choose, prepare for, and practice one of the professions or trades and take their place in the economic life of America. It is our duty to make immediate and definite plans for the future of these returning veterans.

Some of these young men will resume their studies in institutions of higher learning, so as to prepare themselves for the professions. They will be our future doctors, dentists, lawyers, and so forth. The great majority of returning veterans plan to make one of the trades his life work. It is the preparation for, and planning of, the future of this large group that I am at this time particularly interested.

As a doctor must complete his education in medicine and serve his internship before practicing his profession, so, likewise, a skilled tradesman must study the techniques of his trade and serve an apprenticeship before he can become a journeyman.

Before the veteran, who desires to enter trade training, is discharged from the service, he should have an opportunity to become familiar with his rights and responsibilities. He should be in a position to know what he can possibly expect from his training and what he must give to satisfactorily complete his apprenticeship. Congress has provided in the GI bill of rights, a training subsistence for veterans of \$50 or \$75 a month, but this support alone will not accomplish the desired results. Systematic training and sensible supervision is the only way to protect the veteran in training and insure the best possible economic returns from his investment of money, time, and labor.

Labor, management, and the public should work as a team to give the veteran a definite program under which he will be assured the protection and advice which he needs before choosing and entering trade training, and which will guarantee him a full and complete opportunity to learn his trade. This program should be given wide publicity. The veteran should be in a position to insist that his employer carry out the program to the minutest details, and likewise the employer must have the right and the opportunity to check the record of his employee.

The best possible training program for veterans in any of the trades can be developed by representatives of manage-



ment sitting in with representatives of labor. This group, with a common understanding of all the training problems involved, can easily come to a mutual understanding on all parts of a program which will be in the best interest of the veteran.

In planning an apprenticeship program, measures must be taken to reasonably assure the veteran that he will receive an all-around training in the trade. A job analysis of the trade in each plant, or community should be made. Those things that a journeyman must know before he is qualified to carry on his chosen trade should be listed. The machines used and the operations performed must be set forth in a schedule of work experience. The minimum time spent in training on each machine, operation, or in learning a definite phase of the trade should be clearly stated in hours. If this work break-down is made the veteran can at any time during his training check on the progress he is making and be assured that his employer is giving him a full and complete training.

It is very important to the veteran that the total time required for his training be fixed. Some trades require 8,000 hours of "on the job training" based on an estimated 2,000 hours per year. Under this formula the complete training would normally take 4 years. If hours rather than years are used, it would be possible for an energetic and ambitious apprentice to complete the prescribed training in less than 4 years. Hours rather than years, is therefore a fairer way of determining the exact amount of training needed to justify salary increases, or qualify the apprentice as a journeyman.

Increasing wages naturally tend to boost the apprentice's interest in his work and keep his morale at a high level. While training as an apprentice the veteran will actually produce, as he works and earns while he learns. He starts as an unskilled worker at a low salary and his wages increase as his knowledge of the trade broadens, and his production increases, until he finally becomes entitled to receive the salary of a journeyman.

Everything possible should be done to guarantee the veteran, who spends his time in apprenticeship, an opportunity of continuous employment at fair wages in the trade for which he trains. Necessary precaution must be taken to avoid training too many veterans in the same job or trade at the same time. If we are foresighted now and take the necessary steps to limit the number of veterans in training in each plant or local trade at any one time, we will avoid the possibility of unemployment. Supply and demand in this respect should be studied and the veteran advised about present employment conditions in each trade.

Veterans serving an apprenticeship will greatly benefit from related classroom instruction. Every training program should provide that a certain number of hours be devoted to such related subjects as shop arithmetic, blueprint reading, psychology, English, current labor legislation, or economics. This will not only make it easier for the veteran

to learn his trade, but will give him a much more thorough knowledge of the technical nature of the work. Classroom study is very necessary to qualify for the highest jobs in the trade, such as supervisors, foremen, superintendents, and owners.

Work records of each apprentice should be made and kept available at all times. These records should disclose what and how much training the veteran has had at any time, and what and how much training is necessary before the veteran can qualify as a journeyman. That will tend to put the veteran on notice that he is, or is not doing the job expected of him. The employer may also check on the skill and aptitude of the veteran at various times during his apprenticeship. This periodic accounting will be beneficial to industry and the veteran.

Good management requires proper supervision over employees in training. During their apprenticeship, veterans will be shifted from one part of the trade to another. These changes will necessarily require the veteran to serve under many different instructors, who will supervise his immediate work. In the course of his training, problems will rise, personalities are likely to clash, and questions pertaining to the over-all program will have to be settled without delay. A single supervisor of apprentices, in each plant, to whom the veteran can appeal, is essential. This person will be responsible for the proper keeping of training records, timely shifting of the veteran, and one to whom the veteran can go to for advice and guidance.

An agreement signed by both the employer and the veteran setting forth the conditions of employment should be executed before the veteran starts training. This is evidence of their good faith and sincerity. If we are conscientious in what we say we intend to do for the returning veteran, we should not object to promise in writing to abide by the provisions of our own fair and just contract of employment, which will be of our own making.

When a person completes school or college he receives a diploma or degree as a form of recognition showing that he has satisfactorily completed a prescribed course of study and is qualified for a particular position. Likewise, when a veteran has satisfactorily completed his training, he should be given a certificate as evidence that he has satisfactorily completed his apprenticeship and has qualified as a skilled workman in the trade.

We are very fortunate in these United States to have a decentralization of apprenticeship. Over one-half of our States have had the foresight to establish their own State apprenticeship agency at the suggestion of the Federal Committee on Apprenticeship. The main purpose of these State agencies is to assist industry in their respective States to promote apprenticeship and to act as a clearing house on all apprenticeship matters. Also, by clearing through the national office, an exchange of ideas is made possible, which enables all sections of the country to benefit from experience in any one section.

There is one other important matter that should be made known to the veteran who is entering trade training. The GI bill provides for supplying tools to each veteran who enters training. The veteran should be familiar with this provision and should have such tools as he is entitled to, before he begins his training.

We must all understand that high wages alone is not what the veteran expects. He has fought long and hard and has endured many privations in order that the American way of life may survive. The American way of life spells for him the opportunity to follow his calling and take his place in society, and work for a bigger and better America and a more cooperative and peaceful world.

Both labor and management can repay their debt to the veteran by making it possible for him to receive a bona fide apprenticeship training. Once properly trained, the veteran will have something no one can take away, a knowledge of his trade—a definite guaranty for his future economic security.

A parent who sends his son or daughter to college has a definite knowledge of what the course will consist of and how he will be educated. We should not expect our veterans to go into training as apprentices without a definite bona fide program.

Current surveys at Army, Navy, and Marine separation centers show that over 10 percent of the discharges expressed a desire to have a trade. If we consider only one-half this percentage, there will be over 800,000 veterans serving an apprenticeship. The income of this group, including wages and training subsistence provided for in the GI bill, will total approximately \$2,000,000,000 each year. This is really big business. It must be protected. The training received by this group will total nearly 2,000,000,000 hours of "on the job training" per year. We must have a definite workable program planned to meet the tremendous problem. It is our responsibility to make sure that this plan is carried out. It is our duty to each and every veteran. It is our duty to future security and prosperity of our country.

There are 12 fundamental points, general in scope, which I propose as the basis for every apprentice-training program. It is my earnest hope that every trade-training program for veterans will include the following 12 points:

First. Individual training programs should be established in each trade for each locality. These training programs should be formulated by representatives of management sitting in with representatives of employees.

Second. Each program should contain a predetermined schedule of work experiences in the trade and should state the minimum number of hours required for training in each major part.

Third. Each program should show the total number of hours in training necessary to qualify the veteran as a journeyman in the particular trade.

Fourth. Each program should contain a progressively increasing wage schedule for the entire training period.



Fifth. Each program should provide a ceiling as to the number of veterans to be in training at any one time.

Sixth. Each program should allow for approximately 150 hours per year of related classroom instruction.

Seventh. Each program should require adequate training records to be kept.

Eighth. Each program should provide for a supervisor of apprentices.

Ninth. Each program should provide for a written agreement, signed by the employer and the veteran, covering the terms and conditions of the training.

Tenth. Each program and written agreement should be recorded with the local State apprenticeship agency, or, in the absence of a State agency, with the Federal Committee on Apprenticeship.

Eleventh. Each program should provide for the issuance of a certificate of completion of apprenticeship to those who have satisfactorily completed their apprenticeship.

Twelfth. Each program should provide for the issuance of the necessary and proper tools. The GI bill provides for the tools for veterans in training.

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

GEN. DOUGLAS MACARTHUR

Mr. HAYS. Mr. Speaker, I have learned that Gen. Douglas MacArthur will shortly return to this country. I am sure that all the Members of the House will want to hear him address the Congress. I therefore ask unanimous consent, having discussed the matter with the Speaker and having consulted both the majority and the minority leaders, that it be in order for the Speaker to declare a recess subject to the call of the Chair, at a date to be later named, during which period a joint meeting shall be held in this Chamber, at which time General MacArthur will address us.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object—and I am not going to object—I desire to say to the gentleman from Arkansas that we hope that at an early date we can join in the celebration in honor of this great American who has performed such great and distinguished service.

Mr. HAYS. I thank the gentleman. It is understood then, Mr. Speaker, according to my request, that it be on a date agreeable to General MacArthur and to the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. DAUGHTON of Virginia (at the request of Mr. BLAND), for today, on account of official business.

To Mr. FLANNAGAN (at the request of Mr. RAMSPECK), for 2 weeks, on account of official business.

To Mr. ROGERS of Florida, for 1 day, October 13, on account of official business.

#### ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Thursday, October 18, 1945, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Thursday, October 18, 1945)

A subcommittee of the House Committee on Interstate and Foreign Commerce will meet at 10 a. m., Thursday, October 18, to continue hearings on H. R. 2536, the Bulwinkle bill.

##### COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(Thursday, October 18, 1945)

The Committee on Expenditures in the Executive Departments will meet Thursday, October 18, 1945, at 10 a. m. in room 304, Old House Office Building, to consider the bill H. R. 2202.

##### COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

(Thursday, October 18, 1945)

The Committee on Public Buildings and Grounds will hold a hearing on Thursday, October 18, at 10 a. m., on the bill (H. R. 4276) to provide for the construction of public buildings, and for other purposes, in the Rivers and Harbors Committee room.

##### COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

(Thursday, October 18, 1945)

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, October 18, 1945, at 10 a. m., on H. R. 2346, the seamen's bill of rights, to provide aid for the readjustment in civilian life of those persons who rendered war service in the United States merchant marine during World War II, and to provide aid for the families of deceased war-service merchant seamen.

(Thursday, October 25, 1945)

The Committee on the Merchant Marine and Fisheries will meet Thursday, October 25, 1945, at 10 o'clock a. m., in executive hearing to consider the bill (H. R. 3139) to authorize the Coast Guard to investigate and employ new methods of promoting safety at sea and aiding navigation.

(Thursday, November 1, 1945)

The Committee on the Merchant Marine and Fisheries will meet in executive hearing on Thursday, November 1, 1945, at 10 a. m., to consider the bill (H. R. 3861) to provide special rules for preventing collisions of vessels navigating the Gulf Intracoastal Waterway and certain rivers and inland waters emptying into the Gulf of Mexico, and for other purposes.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

751. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the fiscal year 1946, "Foreign-service pay adjustment, appreciation of foreign currencies" (H. Doc. No. 320); to the Committee on Appropriations and ordered to be printed.

752. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the sum of \$4,608,360, for the Department of Justice (H. Doc. No. 321); to the Committee on Appropriations and ordered to be printed.

753. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$560,300, for the National Labor Relations Board (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

754. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$335,500 for the Department of Labor (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

755. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 amounting to \$1,222,000 for the Treasury Department (H. Doc. No. 324); to the Committee on Appropriations and ordered to be printed.

756. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$1,878,420, for the Federal Works Agency (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

757. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the War Department (H. Doc. No. 326); to the Committee on Appropriations and ordered to be printed.

758. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 amounting to \$534,826 for the Civil Service Commission (H. Doc. No. 327); to the Committee on Appropriations and ordered to be printed.

759. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 amounting to \$3,559,000 for the General Accounting Office (H. Doc. No. 328); to the Committee on Appropriations and ordered to be printed.

760. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$3,992,000 for the Department of Commerce (H. Doc. No. 329); to the Committee on Appropriations and ordered to be printed.

761. A communication from the President of the United States, transmitting a proposed provision and supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$128,475,000, to remain available until expended, for the War Department, for rivers and harbors and flood control (H. Doc. No. 330); to the Committee on Appropriations and ordered to be printed.

762. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$3,367,000 for the Department of the Interior (H. Doc. No. 331); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 4407. A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and



for other purposes; without amendment (Rept. No. 1125). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. House Joint Resolution 236. Joint resolution providing for the continuance of the tax-exempt status of certain property in the District of Columbia when used and occupied by any department, agency, or instrumentality of the United States of America or by the American Red Cross; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4283. A bill to require parking facilities for the persons employed in Federal office buildings in the District of Columbia; without amendment (Rept. No. 1127). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 3429. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 1128). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. S. 940. An act to provide for terms of the District Court of the United States for the District of Nevada; with amendment (Rept. No. 1129). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 374. Resolution providing for the consideration of H. R. 4160, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 1130). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 375. Resolution providing for the consideration of H. R. 4407, a bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; without amendment (Rept. No. 1131). Referred to the House Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Missouri:

H. R. 4407. A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; to the Committee on Appropriations.

By Mr. HARRIS:

H. R. 4408. A bill to provide that the performance of notarial acts by commissioned officers of the armed forces of the United States, in certain cases, shall have the same effect as though performed by notaries public or judges; to the Committee on the Judiciary.

By Mr. MASON:

H. R. 4409. A bill to provide an additional allowance for military and naval personnel in computing net income; to the Committee on Ways and Means.

By Mr. McMILLAN of South Carolina:

H. R. 4410. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases," approved August 11, 1939; to the Committee on the District of Columbia.

By Mr. VINSON:

H. R. 4411. A bill to adjust the pay and allowances of members of the Navy Nurse Corps, and for other purposes; to the Committee on Naval Affairs.

H. R. 4412. A bill to authorize the head of the postgraduate school of the United States Navy to confer masters and doctors degrees in engineering and related fields; to the Committee on Naval Affairs.

H. R. 4413. A bill to exempt Navy or Coast Guard vessels of special construction from the requirements as to the number, position, range, or arc of visibility of lights, and for other purposes; to the Committee on Naval Affairs.

By Mr. CRAVENS:

H. Con. Res. 97. Concurrent resolution to extend the time for consideration of the report of Surplus Property Board on the disposition of Government-owned aluminum plants and facilities; to the Committee on Expenditures in the Executive Departments.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 4414. A bill for the relief of Eva D. Champlin, Robert H. Howell, Emily Howell,

and Stella Ward; to the Committee on Claims.

By Mr. CRAVENS:

H. R. 4415. A bill for the relief of L. O. Gilliam; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 4416. A bill for the relief of George H. Buxton; to the Committee on Claims.

By Mr. LANE:

H. R. 4417. A bill for the relief of Mikalaj Gis; to the Committee on Immigration and Naturalization.

By Mr. LYLE:

H. R. 4418. A bill for the relief of the city of San Diego, Tex.; to the Committee on Claims.

By Mr. WHITE:

H. R. 4419. A bill for the relief of Mrs. James Plumb; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1252. By Mr. COLE of Missouri: Memorial of the House of Representatives of the Sixty-third General Assembly of Missouri to the Seventy-ninth Congress of the United States asking that they do all within their power to secure immediate release from the armed services of boys and young men so that they can return to their schooling; to the Committee on Military Affairs.

1253. By Mr. LANE: Resolution of the Department of Massachusetts, Disabled American Veterans, Boston, Mass.; to the Committee on World War Veterans' Legislation.

1254. Also, resolution of the Salem-Peabody Joint Board, Textile Workers Union of America, CIO, Salem, Mass.; to the Committee on Labor.

1255. By Mr. PLOESER: Petition of Murray E. Thompson, speaker pro tempore of the House of Representatives of Missouri, adopted Resolution No. 250, October 3, 1945, to release all boys and young men from the services to resume their education; to the Committee on Military Affairs.

1256. By Mrs. SMITH of Maine: Petition forwarded by Nellie G. Saunders and signed by citizens of Rockland, Maine, urging action on the Townsend plan; to the Committee on Ways and Means.

1257. By the SPEAKER: Petition of Veterans of Foreign Wars of the United States, petitioning consideration of their resolution with reference to control of atomic power; to the Committee on Military Affairs.

Oct.  
15





DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued October 19, 1945, for actions of Thursday, October 18, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate Committee reported reorganization bill. Senate conferees appointed on bill to repeal land-grant rates on military and naval traffic. Senate passed bill to provide for use of surplus property in soil conservation and forestry programs. House agreed to resolution for consideration of appropriation-rescission bill.

SENATE

1. GOVERNMENT REORGANIZATION. The Judiciary Committee reported with amendment S. 1120, the reorganization bill (S. Rept. 638) (p. 9917).
2. SOIL CONSERVATION; FORESTRY; SURPLUS MATERIALS. Passed with amendments S. 1414, to assist in soil conservation, water conservation, and forestry work by making certain surplus materials available for such work through distribution by grant or loan to public bodies organized under State laws (pp. 9933-5).  
Agreed to Sen. Ellender's (La.) amendment (suggested by this Department) to grant the Secretary of Agriculture priority given to Federal agencies under Sec. 12 of the Surplus Property Act (p. 9935).
3. TRANSPORTATION; LAND-GRANT RATES. Sens. Johnson, Colo., McFarland, Ariz., Wheeler, Mont., Moore, Okla., and Reed, Kans., were appointed conferees on H. R. 694, to amend the Transportation Act to remove the statutory obligation to transport military and naval traffic over land-grant railroads at 50% of their established tariff charges for such transportation (p. 9925). House conferees appointed Oct. 10.
4. MISSOURI VALLEY AUTHORITY. The Irrigation and Reclamation Committee reported adversely S. 555, to establish an MVA (S. Rept. 639). To Agriculture and Forestry Committee. (pp. 9917-8.)
5. NEWTEXT BILL. Agreed to Sen. Barkley's (Ky.) request allowing the Finance Committee until Sat. midnight to file its report (p. 9926).
6. SMALLER WAR PLANTS CORPORATION. Received WPB's report on the SWPC for the period



Aug. 1 to Sept. 30, 1945. To Banking and Currency Committee. (p. 9916.)

7. LIVESTOCK; PRODUCTION AWARD. Sen. Capper, Kans., inserted a Topeka Daily Capital article on awards to <sup>a Kansas farm boy</sup> for livestock and farm production (p. 9923).
8. RESEARCH. Sen. Fulbright, Ark., discussed the need for deferment of science students and included Secretary of War Patterson's and a Purdue University students' letter on the subject (pp. 9939-41).
9. HOUSING; OPA. Sen. Taylor, Idaho, commended OPA's accomplishments and discussed the need for price ceilings on housing with respect to full employment and veterans' benefits, and included an International Teamster article on the subject (pp. 9935-7).
10. NOMINATIONS. The Foreign Relations Committee reported favorably the nomination of Spruille Braden to be an Assistant Secretary of State (p. 9946).  
Confirmed the nomination of John F. Sonnett to be Assistant Attorney General (p. 9946).
11. INDUSTRIAL DECENTRALIZATION. Sen. McCarran, Nev., inserted a letter from several Senators and W. B. Rogers' (Conn. Development Commission) commending the work of the Special Committee to Investigate Industrial Decentralization (pp. 9916-17).
12. EMPLOYMENT. Sen. Murray, Mont., inserted his summary of S. 1456, to provide for the clarification of the status of the U.S. Employment Service (pp. 9922-3).
13. SURPLUS PROPERTY. Sen. O'Mahoney, Wyo., submitted the Military Affairs Committee report (pursuant to S. Res. 46, authorizing an investigation into war contracts and their termination) on surplus property disposal in Canada (S. Rept. 199, 1945) (p. 9917).
14. ADJOURNED until Mon., Oct. 22 (p. 9946).

#### HOUSE

15. FIRST SUPPLEMENTAL SURPLUS APPROPRIATION-RESCISSION BILL, 1946. Agreed to resolution for consideration of this bill, H.R. 4407 (pp. 9969-75). During discussion on the resolution Rep. Cox, Ga., urged complete cooperation between management and capital, labor, and agriculture (p. 9971).
16. FEDERAL-AID AIRPORT BILL. Passed with amendment S. 2, the Federal-aid airport bill (pp. 9950-68). Agreed to Rep. Bulwinkle's (N.C.) amendment to substitute the language of H.R. 3615 (the House version) for that of S. 2 (the Senate version) (pp. 9965-8).
17. ACCOUNTING. Expenditures in the Executive Departments Committee reported without amendment H.R. 4350, relating to the issuance of checks in replacement of lost, etc., U.S. checks (H. Rept. 1132) (p. 9977).
18. SURPLUS PROPERTY. Rep. Weichel, Ohio, criticized publication procedures in surplus property disposal and cited an example (p. 9949).

#### BILLS INTRODUCED

19. EMPLOYMENT. H.R. 4437, by Rep. Ramspeck, Ga., to provide for the return of public employment offices to State operation. To Labor Committee. (p. 9978).
20. FLOOD CONTROL. H. R. 4438, by Rep. Whitten, Miss., to amend the Flood Control



Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 172]

Adams	Eaton	Luce
Anderson, Calif.	Eberhart	McGehee
Andrews, N. Y.	Elsaesser	Maloney
Auchincloss	Ervin	May
Bailey	Flannagan	Morrow
Baldwin, Md.	Fuller	Monroney
Baldwin, N. Y.	Gardner	Mott
Barrett, Pa.	Gerlach	Murdock
Barrett, Wyo.	Gifford	Norton
Bates, Mass.	Gillespie	O'Toole
Beall	Gillie	Pace
Beckworth	Grant, Ala.	Philbin
Bender	Griffiths	Ploeser
Biemiller	Hagen	Plumley
Bolton	Hall	Powell
Boren	Edwin Arthur	Price, Ill.
Boykin	Halleck	Rains
Buckley	Harless, Ariz.	Robertson,
Bunker	Harness, Ind.	N. Dak.
Burgin	Hart	Roe, N. Y.
Butler	Hartley	Rogers, Fla.
Campbell	Hébert	Rooney
Cannon, Fla.	Heffernan	Short
Case, S. Dak.	Hendricks	Snyder
Celler	Henry	Stigler
Chelf	Herter	Sundstrom
Clark	Hill	Taylor
Coffee	Hollifield	Traynor
Cole, Kans.	Hope	Vinson
Cole, N. Y.	Johnson,	Voorhis, Calif.
Cooley	Lyndon B.	Wadsworth
Courtney	Jonkman	Walter
Curley	Judd	Wasielewski
Curtis	Kefauver	Weaver
Daughton, Va.	Keogh	Weiss
Davis	Kilburn	White
Dawson	King	Whittington
Dickstein	Kirwan	Wilson
Dingell	LaFollette	Winter
Dondero	Lea	Wolcott
Drewry	Lesinski	
Durham	Lewis	

The SPEAKER. On this roll call, 307 Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution and a concurrent resolution of the following titles:

H. J. Res. 161. Joint resolution to facilitate the execution of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended; and

H. Con. Res. 96. Concurrent resolution providing for a joint session of the Congress on Tuesday, October 23, 1945.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3220. An act to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 109. Joint resolution to extend in the case of aluminum plants and facilities the time during which disposition of such plants and facilities is prohibited under the Surplus Property Act of 1944, as amended.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 842. An act for the relief of the Elmira Area Soaring Corporation.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 694) entitled "An act to amend section 321, title III, part II, Transportation Act of 1940, with respect to movement of Government traffic"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. WHEELER, Mr. MOORE, and Mr. REED to be the conferees on the part of the Senate.

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of Justice.
4. Department of War.
5. Alien Property Custodian.
6. Federal Security Agency.
7. National Archives.
8. Office of Price Administration.
9. Office of Defense Transportation.
10. Petroleum Administration for War.
11. Selective Service System.
12. War Manpower Commission.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New Jersey [Mr. HARTLEY] may address the House for 1 hour on next Thursday, October 25, following the legislative business of the day and the special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that the special order I have for today may be put over until next Wednesday, October 24.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO COMMITTEE ON THE MERCHANT MARINE AND FISHERIES TO SIT DURING SESSION OF HOUSE

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the Committee on the Merchant Marine and Fisheries may sit tomorrow during the session of the House while the House is in general debate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REDUCTION OF APPROPRIATIONS AND CONTRACT AUTHORIZATIONS

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 375, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and all points of order against said bill are hereby waived; that after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Appropriations, the bill shall be read by appropriation titles for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Georgia [Mr. Cox] is recognized.

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

WE MUST COOPERATE FOR SURVIVAL

Mr. COX. Mr. Speaker, the events of the last few months of the war we just fought were so stupendous they have left men dazed. We become literally benumbed mentally when we try to comprehend the marvelous and deadly potentialities of radar; rocket bombs, rocket plants, rocket submarines; and a score of other achievements in the scientific world which have reduced the whole globe, from the standpoint of potential destruction to a matter of 3 or 4 hours in time. Distance has been practically eliminated.

When we try to conceive the awful destructive power of the atom bomb we become mentally frozen. Our very brains are benumbed within us.

Mr. Speaker, today, we in this chamber are looking squarely at the awful fact that annihilation of the whole human race is now possible to any group of madmen who may learn the production and control of the atomic bomb, and who in the terrible fantasies of their diseased minds would not hesitate to use it.

Mr. Speaker, is there any person in this chamber who believes that if Hitler could have discovered the atom bomb he would not have used it against the United States of America and against the British?

Who is there in this chamber who believes that another Hitler may not arise, not in Germany next time but in some other nation not too far distant?

Mr. Speaker, who is there in this chamber who is so blind as to believe that if Russia or any other nation should discover the secret of production of the atomic bomb that such nation would hesitate to use it to gain domination over the world if the control of such a nation fell under the evil sway of madmen?

The one nation in the whole history of mankind that has not sought aggression and conquest is the United States of America. Ours is the only Nation which has given of its blood and its men



and its money, to free other nations from tyranny without attempting to take them over and rule them ourselves. Look at Cuba. Look at the Philippines. Look at our efforts in the First World War when we poured out our men and our money and at the peace table asked for absolutely nothing but peace. Well, Mr. Speaker, we not only did not get peace; we not only were not repaid the billions of dollars we loaned after the war to our former allies but we did not even get gratitude for our generous efforts and our unselfish motives.

We went into the World War just finished—did I say finished?—I mean which we still have to finish, Mr. Speaker—not to subjugate any nation; not to destroy any nation; not to rob any nation; not to enslave any people. And yet we know today in this Chamber, Mr. Speaker, that although we won the war, or are winning the war, we had lost the very objectives for which we fought, before the war was ended.

Is there anyone who doubts that statement? Look at Estonia; Latvia; Lithuania; Poland; Hungary; Rumania; Yugoslavia; Bulgaria; the Danish Island of Bornholm. They have been taken over and subjugated by Russia.

There is no necessity for us to recount again here the betrayal of Poland. It is now a matter of history. It will be regarded by all decent people of the future—if the atom bomb lets us have much of a future for civilization—as one of the basest, blackest betrayals of a nation ever perpetrated by any other nation.

Before the echo of the guns has died away; before the smoke of battle has drifted down the winds of space; before the awful odor of death has ceased to rise miasmalike from the jungles and the swamps of the islands of the Pacific, and from the beaches of Europe, the very men who did the most magnificent job of leadership are being assailed and abused and plotted against by alien-minded men and women in this country who are still intent on serving a foreign master, Joe Stalin; who are still intent on stabbing our soldiers and sailors and marines in the back while they scheme and plot to destroy the free Nation for which those men and women went out and fought for and for which a million of them died.

I want to say to you, Mr. Speaker, that communism is rampant in this Nation at this very hour. I want to say to you, sir, that most of those men and women or their parents, came to seek the hospitality of this great free, rich Nation. Practically all of them by one trick or another evaded going out to fight in defense of this country. But today they are planning the destruction of our free Government and our free society.

I sometimes wonder, sir, what has happened to the spirit of Americanism. I sometimes wonder what has happened to the intelligence and the courage of American men and women that we let an alien minority come in and practically take over various bureaus of our Government and sections of our press. I sometimes wonder why we tolerate the insolent effrontery of a minority in this country who are almost open and brazen

in their arrogant attempts to discredit every worth-while leader of the armed forces while they heap adulation upon Russian marshals and generals.

Who is there in this chamber who does not know in his heart that the reason these Communists want to displace MacArthur in Japan is because Joe Stalin and his henchmen want to communize Japan?

Who is there in this chamber who does not know that in the world grown as small as this world has grown Russian communism and Russian domination of a great section of the globe, and free America, and the wonderful fruits of freedom that are to be found in America, cannot long abide side by side with peace on this planet?

We in the United States of America are now confronted by a new world situation. If we are to survive as a free country, or if we are to survive at all, we must cooperate each man, woman and child with the other. Without regard to class, or race, or section, we must work together to preserve our very existence as well as our freedom. We are like a company on a ship which is drifting against a mine lodged on a reef. If we hit the mine, an atomic bomb, we will be annihilated. If we succeed by the greatest cooperation in missing the mine, we may still be wrecked on the reef of internal political revolution; strikes; unemployment; inflation; depression; frustration.

When the first atom bomb blasted into vapor the human beings and the buildings of Hiroshima the United States suddenly became the keeper of the destiny of the world. We have been told within the last few days by the outstanding experts of our national defense that the fate of the world hangs in the balance. We have been bluntly warned that unless all citizens, men, women and children, in the United States of America do cooperate, the next war could easily result in America being struck without warning with such a force of atom bombs as would completely destroy in a few minutes our ability to defend ourselves.

Mr. Speaker, it is almost impossible for us to comprehend—we who have lived with friendly neighbors to the north and south of us, we who have been separated by the Pacific and the Atlantic Oceans from our neighbors to the east and the west—that we are actually today in danger of sudden annihilation.

Already the atom bomb which we were first to use has made it apparent that we in the United States must face new problems of vast decentralization of our industry. We have been told—and I do not doubt that it is true—that only the accident of a thin piece of lead foil separated the Germans from the discovery of atomic fission, meaning control of the atomic bomb.

It appears futile for us to hope that we and Great Britain and Canada can keep the atom bomb secret to ourselves for all time. There is, in fact, a very grave question as to whether or not the secret is now known to Russia. A report in the press on Monday, October 15, strongly indicates that Russian scientists may possess the atom-bomb secret. A scientific monthly magazine of August 1945 contained an article translated and

condensed by the American-Russian Institute from the Russian newspaper Izvestia on November 25, 1944, giving the names of two Russian academicians who even then were far along in their investigations. The article in the press of this October 15 revealed that a Russian Professor Kapitza had studied at Cambridge in England 18 years ago on nuclear theories and atom fission. Since that time Professor Kapitza has become the foremost Russian scientist in atomic research, and a few years ago developed a method of liquefying hydrogen and helium which may offer a new source of atomic energy.

We also know that the leading German scientists who had been working on the release of atomic energy were taken into Russia after the German surrender. They have not been heard of since, officially, although stories drifting out of that rigidly censored and tightly controlled country indicate that they are being induced to develop under Russian direction methods of producing and controlling atomic energy.

Here we are, Mr. Speaker, facing the unimaginable situation in which, with conditions as they are, the question of life or death for every man, woman, and child in this Nation depends for its answer upon our most intelligent and intense cooperation with each other to set up a new and hitherto utterly unconceived national defense.

We know there are too many—far too many—people in this country, most of them of alien origin, all of them of alien doctrines, who would like to see this Nation and its people enslaved under Russian communism. Why, sir, such slavery would be worse, a thousand times worse, than the instantaneous disintegration which would be our portion if we were destroyed by atomic bombs.

#### CALL OF THE HOUSE

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seven Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 173]

Adams	Cole, Kans.	Gathings
Anderson, Calif.	Cole, N. Y.	Gerlach
Bailey	Cooley	Gibson
Baldwin, Md.	Courtney	Gifford
Baldwin, N. Y.	Crawford	Gillespie
Earry	Curley	Gillie
Beall	Curtis	Griffiths
Beckworth	Daughton, Va.	Hagen
Bender	Davis	Halleck
Biemiller	Dawson	Hand
Bland	Dickstein	Harless, Ariz.
Bloom	Dingell	Harness, Ind.
Bolton	Dondero	Hartley
Boykin	Drewry	Hébert
Buckley	Durham	Heffernan
Bunker	Eaton	Henry
Burgin	Eberharter	Hill
Butler	Elliott	Hollifield
Byrne, N. Y.	Elsasser	Hope
Campbell	Ervin	Izac
Cannon, Fla.	Fellows	Johnson
Carlson	Flannagan	Lyndon B.
Celler	Fuller	Jonkman
Chelf	Gallagher	Judd
Clark	Gardner	Kefauver



Keogh	Outland	Taylor
Kilburn	Pace	Tolan
King	Phillips	Towe
Kirwan	Plumley	Traynor
LaFollette	Powell	Wadsworth
Lesinski	Price, Ill.	Walter
Lewis	Rains	Wasielewski
Luce	Robertson, Va.	Weaver
McGehee	Roe, N. Y.	Weiss
McMillen, Ill.	Rogers, Fla.	White
May	Rooney	Whittington
Marrow	Short	Wilson
Mott	Smith, Va.	Winter
Murdock	Snyder	Wood
Neely	Stewart	Woodhouse
Norton	Stigler	
O'Toole	Sundstrom	

The SPEAKER. On this roll call, 310 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### REDUCING CERTAIN APPROPRIATIONS AND CONTRACT AUTHORIZATIONS AVAILABLE FOR THE FISCAL YEAR 1946

The SPEAKER. The gentleman from Georgia [Mr. Cox] is recognized.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. May I say to the gentleman that the reason for my making the point of order that a quorum was not present had no relation whatever to any remarks in the gentleman's speech which he is now reading, but was because this rule waives all points of order against a bill which contains a provision to which many of us object, and which would otherwise be subject to a point of order.

Mr. COX. Of course, I accept the gentleman's statement.

Mr. SHERIDAN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. SHERIDAN. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. Does the gentleman from Georgia yield for that purpose?

Mr. COX. Mr. Speaker, I do not yield for that purpose, and the gentleman should not have taken advantage of the courtesy I extended to him.

Mr. Speaker, man has at last dared to lay his hand upon the primal force of the universe which can work either his utter destruction or his great and lasting benefit. I cannot help feeling deep in my heart that it would have been far better for mankind if the scientists had never discovered the secret of releasing and controlling atomic energy. But, since it lay in the destiny of man to discover this primal force of the universe, I thank God that America, England, and Canada discovered it first, because at least we are Christian, God-fearing nations. No human anywhere in this world can read the history of America and believe for a minute that we want to oppress, or subjugate, or destroy any other people or to take their lands or their wealth away from them by force.

Mr. Speaker, I thank God that this is true of my Nation. I thank God that decency, good will, the impulse to brotherhood with every people of the world motivates us in the United States of America.

In this hour when there has been loosed in the world the most gigantic physical force for evil or for good ever dreamed of by man, we must face not only the proposition of how to make this new-found force the greatest blessing for all peoples; there also confronts us the problem of either controlling the secret or devising a defense against the greatest physical force for evil in the world if it falls into the hands of men of ill-will and evil intent. The question now is not only of our national defense; it is of our individual survival; not only is our freedom menaced by this inconceivably gigantic power; if America goes down, the light of the world goes out. If the torch of liberty, which has for more than 150 years been held aloft in free America beckoning in hope and in promise the oppressed of other lands, shall ever be blown out by an atomic bomb, the hope of free men everywhere will be gone; the beacon light of progress for men everywhere in the world will have been extinguished; the spiritual promise of religious progress will have been blasted; the blood, and the sacrifices, and the hopes of those who down the corridors of time have suffered and striven and died that mankind might progress, that he might raise his eyes from the blood of the battlefields and look for his destiny in the stars, will have been frustrated and rendered of no avail.

And now what is our situation in America in the face of this awful responsibility?

I am reminded of that profound utterance of Thomas Jefferson:

The station which we occupy among the nations of the earth is honorable, but awful. Trusted with the destiny of this solitary Republic of the world, the only monument of human rights, and the sole depository of the sacred fire of freedom and self-government, from whence it is to be lighted up in other regions of the earth, if other regions of the earth shall ever become susceptible of its benign influence, all mankind ought, then, with us to rejoice in its prosperous, and sympathize in its adverse fortunes as involving everything dear to man, and to what sacrifices of interest or convenience ought not these considerations animate us? To what compromises of opinion and inclination, to maintain harmony and union among ourselves, and to preserve from all danger this hallowed ark of human hope and happiness. \* \* \* The last hope of human liberty in this world rests on us. We ought for so dear a stake to sacrifice every attachment and every enmity.

And yet, Mr. Speaker, the dust of Hiroshima and Nagasaki had not settled until labor leaders began to precipitate strike after strike in this country. While Russia began to plot how she might extend her domain and grab country after country to subjugate and bring under her rule, communistic unions in this Nation began to stir up industrial strife and strikes.

Let me say to you it is time, sir, that red-blooded Americans stand up and be counted. It is time for us who believe in freedom, in a just God, and spiritual progress, to rise up and stop this minority of communistic agitators from trying to destroy our economy and precipitate unemployment, industrial disorder, class hatreds, sectional disputes; in short,

while they are trying to prevent our return to an orderly postwar economy of peace and prosperity.

Cooperation between capital, industrial management, labor, and agriculture is absolutely essential to the welfare of all. Capital is not sufficient unto itself. Industrial management cannot be sufficient unto itself. Labor is not sufficient unto itself. Agriculture cannot be sufficient unto itself. Prosperity for America and for capital, management, labor, and agriculture does not lie in limitation of opportunity for some; it lies in equality in opportunity for all.

Business is not something to be bled white of all the wages which can be extracted from it by labor while labor gives as little effort in return as possible. Labor is not something to be paid as little as possible by management and work to the point of exhaustion. Agriculture is not something to be deluded or defrauded by either management or labor. Our great trouble lies in the fact that there have been some industrial managers who were so blind as to believe that labor ought to be ground down to the lowest and harshest working conditions. Such industrial managers are exceedingly rare in America today. We do have all too many labor racketeers who are not in agreement as to management and labor working conditions. Those labor racketeers can find power and immense profit only in a state of constant agitation and dispute between labor and management. Just as soon as a state of harmonious cooperation is reached between management and labor the jobs of these specialists in disorder would be gone. A handful, so to speak, of such professional agitators and troublemakers is doing all this damage to labor, to agriculture, to management, to the whole country.

The only possible salvation for this Nation, our only possible avenue of escape from disorder and possible revolution lies in the achievement of an agreement and a complete cooperation between management and capital, labor, and agriculture.

Think of it, Mr. Speaker; on October 10, 1945, 418,000 people were out of work in this Nation because of strikes. The day previous to that some 42,000 steel-print and dye workers had just returned to their jobs. If this same total were maintained, it would mean a loss of 1 day of 3,244,000 work hours; it would mean 16,220,000 work hours lost in a 5-day week.

Mr. Speaker, free enterprise has come to be jeered and jibed at by Communists and "pinks" and fellow travelers, as a term of opprobrium to be applied to so-called big business. Of course, Mr. Speaker, business is not necessarily bad because it is big, nor is it necessarily good because it is small. But I want to say that no greater damage was ever done the citizens of this country than that which was wrought when a few semantic experts aided the radicals in the administration and out of it to condemn in the minds of the people both the term and the practice of free enterprise.

Free enterprise means the right of any man to open a grocery store, or a shoe-mending shop; a restaurant or a delicatessen; or a garage. It means his right



to begin as a ditch digger and end up as the manager of a big industry if he has the ability. It means the right of any man or woman to elect what line of endeavor they wish to follow for their life's work, whether it be in the trades or professions and then to be protected by the Government in their pursuit in their trade or profession. Free enterprise means little business; it means community business. A man buying a little plot of ground and running his own farm is just as much of a free enterpriser as Henry Ford. His magnitude may not be as great but the principle governing his right is exactly the same. If this campaign of disparagement and libel and abuse against free enterprise goes on to its logical limit, men and women, boys and girls, even those who risked their lives and their bodies on the battlefields across the Seven Seas, will have to ask the permission of a labor overlord or of some bureaucrat before they can aspire to become a mechanic, a farmer, a grocery-store proprietor, a lawyer, or a doctor. If that day ever comes in this country, Mr. Speaker—and we are not far from it now—liberty in this Nation will be dead; individual freedom will have vanished; the Bill of Rights will be a dead letter, and slavery, however velvet-lined it may appear to be, will be the portion of the citizen of the United States.

It is corollary of American production that no industry is sufficient unto itself. Automobiles and refrigerators cannot be built if the steel industry is not producing. The steel industry cannot produce for automobiles or refrigerators unless coal mines are functioning. With 749 coal mines in 6 States shut down by strikes, and with 182,000 workers off their coal-mine jobs, the effects on our economy follow all these chains, such as the automobile-refrigerator-steel-industry-coal chain. Just the other day 369 ships were tied up in New York harbor because of a longshoremen's strike. Thousands of tons of goods were piled on the docks for export. One hundred and ten thousand tons of those goods were earmarked for relief or for our fighting forces overseas. In the lot there were 8,000 tons of perishable meat. If any of our boys in the occupation forces of Japan or Germany go hungry it could well be the direct result of that particular strike. If these boys return home from their terrible battle experiences across the seven seas, and find no jobs awaiting them, that probably will also be the result of these strikes.

Mr. Speaker, we can lose the peace that those heroic men and women of the fighting forces have won for us by an industrial revolution spawned and sponsored by these Communists and agitators in this country. After the greatest toll of blood and treasure we ever poured out in the history of our Nation, it can all be rendered futile if we do not curb strikes which have no relation to working hours, conditions, or wages, but which are called under the name of "wildcat" strikes.

If the labor leaders who pretend to be the bargaining agents for these unions cannot control the hotheads in those unions who precipitate these "wildcat" strikes, so-called, then those labor lead-

ers are not fit to occupy their posts, and they ought not to be allowed to permit their forces to menace this Nation.

I wonder what can be the strange malady of blindness that seems to make men oblivious to the fact that if America is blasted out by the roots by atom bombs in the future because we have been unprepared due to strikes and industrial troubles, to meet the menace, it will be the wives and the children of the workmen and the workmen themselves whose bodies will be rent by the blasts, seared and vaporized by a heat 10 times greater than that of the surface of the sun.

Mr. Speaker, if labor agitators and Communist schemers can successfully connive to throw this Nation into industrial chaos by these strikes, and if some other nation, wishing to take advantage of that awful condition here, should assail us with atom bombs, it would be the wives and children and the members of those unions who would pay the penalty of death and torture.

I find myself amazed over and over again that men will follow the Communist line as Earl Browder followed the Communist line only to be kicked aside like a craven dog when it suits the purpose of a dictator in Russia to do so. Earl Browder dare not complain of the way he has been treated.

Mr. Speaker, under the campaign of propaganda which has been waged by the Communists and the advocates of alien doctrines and isms in this country for the past 12 or 14 years, we have come to the point—in fact before the war we reached the point—where the term nationalism was used as an epithet. Aliens who had no conception of American ideas actually succeeded in implanting in American thinking the idea that nationalism and isolationism were one and the same thing. It got to a point where it was considered disgraceful, discreditable, indecent, if not actually criminal, for Americans to dare to consider the interests of their own country in connection with those of Russia and Great Britain and Spain and Italy, and the countries of middle Europe. I would like to ask you, my colleagues, where you would go on this globe to find a more intense nationalist than Josef Stalin? Where would you go to find a more nationalist government—I would go farther and say a more isolationist government than Russia? Where would we go to find a greater nationalist than Winston Churchill? Where would we go to find a more nationalistic government than the government of Great Britain?

After we have poured out billions piled on scores of billions of dollars to those Allies; after we have poured out an ocean of the blood of our men and women in helping those allies; after we have given to them without stint of our men and our money, they now come and ask for five or six billions for Britain—another gift, mind you—and five or six billions for Russia—another gift, mind you—and at the same time they are besieging the Treasury for money—American money, mind you—with which to feed the starving world, and to reconstruct all the war-wrecked economies in the world. According to these alien doc-

trinaires, when Russia asks us to give her another \$6,000,000,000, that is international cooperation. But if we dare mention that we cannot make the loan, that we ourselves have a debt of scores upon scores of billions of dollars, that we have internal problems of our own to solve, then, according to these alien doctrinaires both in the United States and abroad, we are dirty isolationists. If Great Britain wants \$5,000,000,000 free of interest or repayment; if Great Britain wants us to give her a fleet of 1,000 ships so she may, again rule world trade; that, Mr. Speaker, is international cooperation. But just let any American suggest that we cannot afford to ladle out five or six billion more to Great Britain to enable Britannia to rule the waves, and immediately these alien doctrinaires brand us as dirty isolationists.

Regardless of what these alien doctrinaires may say about me, Mr. Speaker, I stand here today warning this Nation that we had better begin to think about the United States of America before we allow all of the other scheming rulers of the world to drain off our economic blood to the point where this Nation will collapse of economic anemia and die of debt indigestion.

I do not believe that sensible consideration for our welfare is isolationism. It is just common sense. I do not blame Joe Stalin for being nationalist for Russia. I do not criticize Churchill for being nationalistic for Britain and I do not criticize any man for being nationalistic as far as America is concerned. I would remind you, sir, that true internationalism is a two-way street and it is a street that Uncle Sam had trod clear to the end to meet Joe Stalin and to meet Winston Churchill, but not one single time have Stalin and Russia come back the other way to meet a single reasonable request of America or Great Britain, and the British Government apparently thinks there is a sign at their end of this two-way street which says "Do not enter."

I warn you here, today, my colleagues that if we Americans do not look out for America no one else is going to. I might also suggest that you do not see any of these alien doctrinaires who howl the loudest for America to give anything she possesses, going back to the countries they want us to support. We had better begin in this country to differentiate very clearly between those who believe that America should be kept intact and sound and free, and those who would partition America out to all the other peoples of the world and pauperize America.

I for one, am glad that Louis Budenz, the editor-in-chief of the Daily Worker Communist paper in New York, had the courage to go back to his church and denounce Communism for what it is—a dictatorship over the souls of people. We do not hear any of these communists shouting that from the housetops. There is no doubt that Louis Budenz will be threatened; there is no doubt that his family will be threatened because these communists work like assassins in the dark.

Mr. Speaker, I wish I could find the words which would burn into the heart of America the awful fact that we are



temporizing here today with a force which will destroy this Nation economically, which will create such chaos, which will generate such confusion, which will nurture such industrial disorders as will make us unable to build our defense against the menace of the future unless we put a stop to lawless, unauthorized, wildcat strikes.

Mr. Speaker, this is President Harry Truman's great hour in history. If with the assistance of the millions who trust him he leads this country safely through these perilous times, he will go down in history as one of our greatest Presidents. We all should say to these irresponsible labor leaders and those who follow them in picketing plants, "You are endangering the life of every citizen in this Nation; you shall have every measure of justice due you but you cannot and you must not and you will not be permitted to destroy this Nation in your greed for gain or your desire to control and socialize industry."

Mr. Speaker, if our President should say to the other countries of the world, "You shall not displace MacArthur and take over the control of Japan and communize it; we will not permit the heroic leaders of our Army, Navy, Marine and Air Force to be blackened by the foul tongues and pens of propagandists who want to sink America into the depths of communistic slavery," then President Harry Truman will go down in history not only as a great President, he will go down in history as a great champion of all the peoples of the world; as a great protector of civilization; as the man who had the courage to again say to these in the world who love freedom "You shall not be shackled as slaves or tortured to your death."

Mr. Speaker, President Truman cannot fail to successfully meet this issue. I do not believe he will fail, and I pray God to strengthen him so he will not fail. Failure would leave mankind to weep for that hour of destiny lost to the people of this planet.

This Congress, Mr. Speaker, must rise to its responsibility. No race, no creed, no partisan consideration can enter into this our task to preserve our common liberty; to preserve our lives; to rescue the peoples of this world from a monstrous threat of this dreadful power if it falls into the hands of madmen.

As we turn our gaze back over the years and see the sacrifices and the miracles of those great masters like Jesus of Nazareth who sought on earth peace toward men of good will, we shall have failed our spiritual heritage if we allow this challenge to meet us either unprepared or afraid.

The hope of the world rests upon the United States of America. The hope of the United States rests upon Harry Truman in the White House, and upon this Congress, to lead our people in the crusade which shall make of this atomic power the greatest agency of peace the world ever knew instead of permitting it to become the awful power that shall blast out of existence mankind on this sphere and leave this planet rolling on through eternity a monument to the sad and tragic fact that man could not govern himself.

Mr. Speaker, I do not believe mankind is doomed to extinction this way. I believe the spiritual values and the power of spiritual law will help our President in the White House to lead us victoriously against these forces which would beat down and destroy everything that makes life dear and worth while. May God be his strength and counselor.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require, and I shall be very brief.

Mr. Speaker, this rule makes in order the consideration of a resolution designed to reduce certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The rule provides for 3 hours of general debate, waives all points of order, and the resolution is subject to amendments under the 5-minute rule.

The resolution is very incomprehensible unless you follow each item with the report of the committee. I understand there is not any minority report.

This resolution calls for cut-backs of over \$52,000,000,000 in appropriations and spending authority, and proposes that armed forces be put under financial pressure to speed demobilization. The committee asks Congress to authorize cut-backs of over \$1,000,000,000 greater than proposed by the Budget Bureau. It is obvious to all of us that the armed services, especially the Navy, are unreasonably slow in discharging our veterans. It is equally obvious that as long as we unnecessarily retain eight or ten millions of men and women in our service, that our national debt will continue to mount, notwithstanding that we are taxing our people to the limit.

This resolution is a good beginning. I hope that before we adjourn, which I understand will be the first part of December, that another similar resolution will be presented. The people are again becoming economic-minded. Make no mistake about that. In my opinion, this rule should pass without objection.

Mr. Speaker, I yield as much time as he may require to the gentleman from Illinois [Mr. ARENDS].

#### CONGRESS SHOULD ACT TO CONTROL STRIKES

Mr. ARENDS. Mr. Speaker, the public welfare requires that Congress deal immediately and effectively with the current strike situation. Today we find ourselves in the position of still drafting 18-year-old boys to protect our interests abroad. How lax we are by comparison in defending the home front.

Correcting the present widespread work stoppage is not primarily a Congressional job, but if Congress does not act in behalf of the people, apparently no one else will. The President has evaded the issue by passing it to his subordinates and they, after a great deal of front page shadow boxing, have made apparent under a blanket of words their fear to move courageously.

I say dealing with the situation is primarily an executive job since the cause of most of our strike troubles originated before the war in White House coddling of a handful of arrogant labor leaders. To the dismay of a hopeful public, the coddling has continued under the Truman administration. Meanwhile, Congress has done its part in accelerating re-

conversion, even to the point of returning to Washington for a special session, but now Congress finds itself confronted with the task of adding strike solutions to its chores.

Fortunately, the way to halt a majority of these current stoppages and get the country back on a speedy constructive reconversion track is fairly simple. The first thing that is needed is courage. Surely there are enough men with the welfare of the Nation at heart in this Congress to meet the issue from a broad national standpoint. A few labor leaders will seek to block such a course with threats, but nine out of ten of the loyal citizens of the country, including millions of patriotic members of labor unions themselves, will admit that the present work stoppages are intolerable and should be ended by law. So I suggest that every Member of this Congress, regardless of party, get vigorously behind a legislative program embracing these broad general provisions:

First. Repeal the present War Labor Disputes Act. The war is over and there is no reason for keeping the act on the books. What we need is a peacetime act with bulldog teeth.

Second. Provide that labor unions must keep their contracts the same as employers. This can be accomplished by simply prohibiting dues collection by contract-breaking organizations. Also, make unions financially liable for damage done by them during strikes.

Third. It is unthinkable to have work stoppages in public utility, food, fuel, and similar services necessary to the health and comfort of the Nation. When disputes in these services which cannot be readily settled occur, let the Government take over and operate the services with the workers classified as Government employees while employees and employers discuss their differences. Government should act in these instances, as in all other labor disputes, as an unbiased judge and not as a prosecutor.

Fourth. Deny unemployment compensation to all persons on strike. There is no good reason why taxpayers generally should finance strikes of any kind.

Fifth. Make national labor organizations responsible for the activities of their local groups. It is far too easy under present laws for national leaders to promote local strikes under cover and then plead "no local control." Here again suspension of the right to collect dues during wildcat strikes would be effective.

I am making this statement as a citizen and representative of all the people who want to see peace and prosperity restored to this Nation. There is no desire on my part to hamper or penalize any fairly conducted labor organization that has as its only objective the welfare and betterment of its members. Indeed, time will prove that in making this statement, I am a true and frank friend of labor. Neither am I making this statement as a partisan. The situation rises far above partisan action. I will support any effort, by whomever launched, which will accomplish the ends I suggest.

(Mr. ARENDS asked and was given permission to revise and extend his remarks.)



Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I do not recall in all the years I have been here when the Committee on Rules has presented a gag rule, if I may use that term, that is more welcome than this. I want to compliment the able chairman of the Committee on Rules for making a move, a very definite move, toward balancing the Budget.

The roll calls we have had this afternoon were doubtless prompted by the opposition to the action of the committee in taking steps to turn back to the States the Federal Employment Agencies.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Certainly.

Mr. SABATH. The gentleman designates this rule as a gag rule. For his information, I wish to say this is not a gag rule. It is a rule, however, which waives points of order against provisions which otherwise would not be in order. It is not a gag rule.

Mr. KNUTSON. Does it permit amendments?

Mr. SABATH. Yes.

Mr. KNUTSON. Oh, it does?

Mr. SABATH. Oh, yes.

Mr. KNUTSON. Well, then, I withdraw the word "gag" and substitute the word "special", because a "rose by any other name would smell as sweet."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. McCORMACK. I suppose the gentleman from Minnesota wants to keep in the class with the gentleman from Illinois inasmuch as he complimented him a few minutes ago.

Mr. KNUTSON. If the gentleman from Illinois wishes to compliment me, I will be very happy to yield to him.

Mr. SABATH. I will get along without any compliments from the gentleman from Minnesota.

Mr. KNUTSON. The gentleman would get along much better with a few compliments.

There is some opposition against turning the USES back to the States. That opposition comes primarily from those who wish to see the present order continued. As the law is now operated, all one has to do is go to the USES office and declare oneself without employment. Then he immediately begins drawing what might be called rocking-chair money. In other words, he is being paid for not working and he is given every encouragement to not seek employment until he has exhausted the benefits conferred by the law as it now operates. We had this very important matter before the Committee on Ways and Means and 47 Governors petitioned the Committee on Ways and Means to restore the USES back to the States because it is not being fairly and equitably administered at the present time.

Mr. HOOK. Mr. Speaker will the gentleman yield?

Mr. KNUTSON. I am not sure whether the governor of the gentleman's State asked or not. There was one who did not. I would not be too surprised if it was the Governor from Michigan.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. No, I do not yield.

Mr. HOOK. No, the Governor of Michigan would not because he is a Republican.

Mr. KNUTSON. They are usually wrong up in that neck of the woods and it is not surprising.

Mr. HOOK. I will say they are.

Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I cannot yield because I wish to complete my statement. No, I do not yield.

Mr. HOOK. I thank the gentleman.

Mr. KNUTSON. Mr. Speaker, I feel that the measure which the rule would make in order to be a big step toward a balanced budget. Certainly, the provision returning the United States Employment Service to the States is also a step in the right direction. The governors of 47 States have asked that it be done because local people, who are better acquainted with the local situation would be able to better administer the law. As now operated, unemployment insurance tends to keep unemployed people from seeking work so long as they will be paid for not working. We must break that up before it gets to be a fixed habit.

(Mr. KNUTSON asked and was given permission to revise and extend his remarks.)

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. COX. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the very matter which the gentleman from Minnesota spoke about at the conclusion of his remarks is the one on which I want to address the House for a few minutes, the matter of the return of the United States Employment Service. I am definitely in favor of the return of the service. I do not think there is any objection to that on the part of any one of us. It is a question of the time. It seems to me it would be unwise to return the United States Employment Service within 30 days or within 90 days, having in mind the conditions that exist.

The United States Employment Service, as at present set up, is a temporary matter, existing only during the war and the emergency following the war. But it seems to me that it plays a very important part in connection with the demobilization of those who are serving in our armed forces. It is pretty generally understood that our demobilization will be over about July 1 of next year. When men go to the separation centers and are discharged, they go through certain processing. I remember when General Marshall spoke to us over in the Auditorium, General Smith, as I remember, spoke after General Marshall and explained the separation process. We all received one of these charts showing the separation period of about 40 hours, and how it is broken up, which one who serves in the Army went through while being processed for separation. General Smith, as I remember, when he came to "counseling," said that was one of the most important parts of the separation process

of those who are being discharged from the Army. You notice the counseling period is from 1:30 p. m. to 3:45 p. m.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. COLE of Missouri. I was one of four who inspected two separation centers. We inquired of some of the counselors to determine what percent of the men who were receiving the counseling advice paid any attention to it. We were told in each instance that about one-third, or 33 1/3 percent. The rest of them did not seem to care about it.

Mr. McCORMACK. I cannot take issue with the gentleman. I think probably that is a fair statement. That 33 1/3 percent shows an interest, anyway. The men are interested.

Now what will happen if we return this to the States before demobilization is over? Take Camp Devens, in my State. Ninety percent of the men discharged from there are New Englanders. If we return it to the States before demobilization is over, take Massachusetts for example, certainly those who are being discharged who live in Massachusetts are entitled to receive information as to the employable situation and opportunities in Massachusetts. Rhode Island, Connecticut, New Hampshire, Vermont, and Maine should do the same thing. Therefore, if we turn this back to the States before the demobilization period is over, the several States that the separation centers serve would have to send a representative of the State to advise the men on separation, as to what the employment situation is in the respective States of the individuals who are being discharged.

Furthermore, it seems to me that during the reconversion period and that for the period of demobilization and reconversion which will be around June 30 of next year, we should continue this system and definitely provide for returning it to the States not before that time.

I rose to make this suggestion now. I think the rule should be adopted. With all respect to my friends who oppose it, the rule should be adopted. It is an open rule and provides for amendments. Amendments can be offered on the floor.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

[Mr. SABATH addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were ayes 172 and noes 58.

Mr. MARCANTONIO. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.



The question was taken; and there were—yeas 323, nays 78, not voting 121, as follows:

[Roll No. 174]

YEAS—232

Abernethy	Gearhart	O'Hara
Allen, Ill.	Gillette	O'Konski
Allen, La.	Goodwin	Pace
Andersen,	Gossett	Peterson, Fla.
H. Carl	Graham	Peterson, Ga.
Anderson, Calif.	Grant, Ala.	Philbin
Andresen,	Grant, Ind.	Pickett
August H.	Gross	Pittenger
Andrews, Ala.	Gwinn, N. Y.	Ploesser
Andrews, N. Y.	Gwynne, Iowa	Poage
Angell	Hall,	Price, Fla.
Arends	Edwin Arthur	Priest
Auchincloss	Hall,	Ramey
Barden	Leonard W.	Ramspeck
Barrett, Wyo.	Hancock	Randolph
Bates, Mass.	Hare	Rankin
Bell	Harris	Reece, Tenn.
Bennet, N. Y.	Hays	Reed, Ill.
Bennett, Mo.	Hedrick	Reed, N. Y.
Bishop	Hendricks	Rees, Kans.
Blackney	Herter	Rich
Bonner	Heseltun	Richards
Boren	Hess	Riley
Bradley, Mich.	Hill	Rivers
Brehm	Hinshaw	Robertson,
Brooks	Hobbs	N. Dak.
Brown, Ga.	Hoeben	Robison, Ky.
Brown, Ohio	Hoffman	Rockwell
Brumbaugh	Holmes, Mass.	Rodgers, Pa.
Bryson	Holmes, Wash.	Rogers, Mass.
Buck	Horan	Russell
Buffett	Howell	Sasscer
Bulwinkle	Hull	Schwabe, Mo.
Burch	Jarman	Schwabe, Okla.
Burgin	Jenkins	Scrivner
Byrnes, Wis.	Jennings	Shafer
Camp	Jensen	Sharp
Canfield	Johnson, Calif.	Sikes
Cannon, Mo.	Johnson, Ill.	Simpson, Ill.
Carnahan	Johnson, Ind.	Simpson, Pa.
Case, N. J.	Johnson,	Slaughter
Case, S. Dak.	Luther A.	Smith, Ohio
Chenoweth	Johnson, Okla.	Smith, Va.
Chiperfield	Jones	Smith, Wis.
Church	Jonkman	Sparkman
Clason	Kean	Springer
Clevenger	Kearney	Stefan
Cochran	Keefe	Stevenson
Cole, Mo.	Kerr	Stewart
Colmer	Kilday	Stockman
Combs	Kinzer	Sumner, Ill.
Cooper	Knutson	Summers, Tex.
Corbett	Kunkel	Taber
Cox	Landis	Talbot
Cravens	Lane	Talle
Cunningham	Lanham	Tarver
D'Alesandro	Larcade	Thom
D'Ewart	Latham	Thomas, N. J.
Dirksen	LeCompte	Thomason
Dolliver	LeFevre	Tibbott
Domengeaux	Lyle	Trimble
Doughton, N. C.	McConnell	Vorys, Ohio
Dworschak	McCormack	Vursell
Earthman	McCowan	Welchel
Elliott	McDonough	West
Ellis	McGregor	Whitten
Ellsworth	McMillan, S. C.	Wickersham
Elston	Mahon	Wigglesworth
Engel, Mich.	Manasco	Wilson
Engle, Calif.	Martin, Iowa	Winstead
Fallon	Martin, Mass.	Wolcott
Fellows	Michener	Wolfenden, Pa.
Fenton	Miller, Nebr.	Wolverton, N. J.
Fisher	Mills	Wood
Folger	Monroney	Woodruff, Mich.
Fuller	Morrison	Woodrum, Va.
Gamble	Mundt	Worley
Gary	Murray, Tenn.	Zimmerman
Gathings	Murray, Wis.	
Gavin	Norrell	

NAYS—78

Barry	Douglas, Ill.	Hart
Bates, Ky.	Doyle	Havener
Bloom	Feighan	Healy
Bradley, Pa.	Flood	Hoch
Buckley	Fogarty	Hook
Byrne, N. Y.	Forand	Huber
Chapman	Geelan	Izac
Clements	Gordon	Jackson
Coffee	Gore	Kee
Crosser	Gorski	Kelley, Pa.
De Lacy	Granahan	Kopplemann
Delaney,	Granger	Link
James J.	Green	Ludlow
Delaney,	Gregory	Lynch
John J.	Hale	McGlinchey
Douglas, Calif.	Hand	Madden

Mansfield,	Patrick	Savage
Mont.	Patterson	Sheppard
Marcantonio	Quinn, N. Y.	Sheridan
Miller, Calif.	Rabaut	Smith, Maine
Morgan	Rabin	Somers, N. Y.
Murphy	Rayfiel	Spence
Neely	Resa	Starkey
O'Brien, Ill.	Rogers, N. Y.	Sullivan
O'Brien, Mich.	Rowan	Torrens
Outland	Ryter	Voorhis, Calif.
Patman	Sadowski	Woodhouse

NOT VOTING—121

Adams	Flannagan	May
Arnold	Fulton	Mcrow
Bailey	Gallagher	Mott
Baldwin, Md.	Gardner	Murdock
Baldwin, N. Y.	Gerlach	Norton
Barrett, Pa.	Gibson	O'Neal
Beall	Gifford	O'Toole
Beckworth	Gillespie	Pfeifer
Bender	Gillie	Phillips
Biemiller	Griffiths	Plumley
Bland	Hagen	Powell
Bolton	Halleck	Price, Ill.
Boykin	Harless, Ariz.	Rains
Bunker	Harness, Ind.	Rizley
Butler	Hartley	Robertson, Va.
Campbell	Hébert	Robinson, Utah
Cannon, Fla.	Heffernan	Roe, Md.
Carlson	Henry	Roe, N. Y.
Celler	Holifield	Rogers, Fla.
Chelf	Hope	Rooney
Clark	Johnson,	Sabath
Cole, Kans.	Lyndon B.	Short
Cole, N. Y.	Judd	Snyder
Cooley	Kefauver	Stigler
Courtney	Kelly, Ill.	Sundstrom
Crawford	Keogh	Taylor
Curley	Kilburn	Thomas, Tex.
Curtis	King	Tolan
Daughton, Va.	Kirwan	Towe
Davis	LaFollette	Traynor
Dawson	Lea	Vinon
Dickstein	Lemke	Wadsworth
Dingell	Lesinski	Walter
Dondero	Lewis	Wasielewski
Drewry	Luce	Weaver
Durham	McGehee	Weiss
Eaton	McKenzie	Welch
Eberharter	McMillen, Ill.	White
Elsasser	Maloney	Whittington
Ervin	Mansfield, Tex.	Winter
Fernandez	Mason	

So the resolution was agreed to.

Mr. BARRY changed his vote from "yea" to "nay."

The Clerk announced the following pairs:

On this vote:

Mr. Vinson of Georgia for, with Mr. Keogh against.

Mr. Taylor for, with Mr. King against.

Mr. Halleck for, with Mr. O'Toole against.

Mr. Gifford for, with Mr. Weiss against.

Mr. Short for, with Mr. Barrett of Pennsylvania against.

Additional general pairs:

Mr. Robertson of Virginia with Mr. Plumley.

Mr. Whittington with Mr. Bender.

Mr. Price of Illinois with Mr. Dondero.

Mr. Stigler with Mr. Henry.

Mr. Flannagan with Mr. Kilburn.

Mr. Kirwan with Mr. Judd.

Mr. Ervin with Mr. Griffith.

Mrs. Norton with Mrs. Luce.

Mr. Baldwin of Maryland with Mr. Gillie.

Mr. Chelf with Mr. Arnold.

Mr. Bland with Mr. Baldwin of New York.

Mr. Clark with Mr. Beall.

Mr. Dingell with Mr. Harness of Indiana.

Mr. Pfeifer with Mr. Fulton.

Mr. Rogers of Florida with Mr. Eaton.

Mr. Drewry with Mr. Curtis.

Mr. Curley with Mr. Carlson.

Mr. Davis with Mr. Mason.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF TIME FOR DISPOSITION OF ALUMINUM PLANTS AND FACILITIES

Mr. MANASCO. Mr. Speaker, I ask unanimous consent for the immediate

consideration of Senate Joint Resolution 109, to extend in the case of aluminum plants and facilities the time during which disposition of such plants and facilities is prohibited under the Surplus Property Act of 1944, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand that this is supported by all the members of the gentleman's committee.

Mr. MANASCO. This comes to the House with a unanimous report. This resolution extends the time within which studies can be made in the matter of the disposition of these aluminum plants. Unless this action is taken now the recommendation of the Surplus Property Board will go into effect and Congress cannot do anything about it. The original 30 days' time is almost up.

Mr. MARTIN of Massachusetts. When does it expire?

Mr. MANASCO. On the 21st of the month, Sunday.

Mr. MARTIN of Massachusetts. And this is necessary in order to give them further time?

Mr. McCORMACK. This is a 30-day extension.

Mr. MANASCO. This extends the time another 30 days.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. DE LACY. Mr. Speaker, reserving the right to object, is this also the recommendation of the Surplus Property Board?

Mr. MANASCO. It meets with the approval of the Surplus Property Board.

Mr. DE LACY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read as follows:

*Resolved, etc.,* That subsection (c) of section 19 of the Surplus Property Act of 1944, as amended, is amended by inserting after the words "thirty days" the following: "(or sixty days in the case of aluminum plants and facilities)".

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TOMORROW DURING SESSION OF THE HOUSE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Subcommittee on the Federal Power Commission of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate on legislation under consideration in the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the



RECORD and include a letter from an auditing firm and a statement on certain aspects of UNRRA's operations.

Mr. ROWAN asked and was given permission to extend his own remarks in the RECORD on three separate subjects.

Mr. LANE asked and was given permission to extend his own remarks to the RECORD on two subjects.

Mr. SOMERS of New York asked and was given permission to extend his own remarks in the RECORD.

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent that my colleague the gentlewoman from California [Mrs. DOUGLAS] be permitted to extend her remarks in the RECORD in two instances and include an editorial and other matter.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[The matter referred to appears in the Appendix.]

Mrs. WOODHOUSE asked and was given permission to extend her own remarks in the RECORD.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an advance release of information to be released today by General Bradley, head of the Veterans' Administration, regarding additional vocational training and approval for the building of 19 new Veterans' Administration hospitals. This is long overdue and I am glad General Bradley has acted promptly in the matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. O'KONSKI asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a newspaper article.

Mr. McDONOUGH and Mr. KEFAUVER asked and were given permission to extend their remarks in the Appendix of the RECORD.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

#### SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 5 minutes.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

#### MEN OF THE MERCHANT MARINE

Mr. LANE. Mr. Speaker, your Committee on the Merchant Marine and Fisheries started today to hold hearings on the bill H. R. 2346, the Merchant Seamen's War Service Act.

Men of the merchant marine were the first to fight and the first to die. Their sacrifices are shrouded in the deep silence of the oceans. They, above all others,

saved England when she stood alone against Nazi aggression and was but a few weeks away from the starvation which meant certain defeat. Running the gauntlet of ceaseless enemy attacks by sub and plane on the terrible Murmansk route, they brought the sorely needed materials which enabled Russia to stay in the war and become, in time, a major factor in the Allied victory.

In those dark days the merchant marine was our last and only hope. On these men we depended to get the stuff through, to gain for us and our allies the precious time needed to bring ourselves from the poverty of unpreparedness to the abundant strength that was required for survival.

Mr. McCORMACK. Mr. Speaker, will the gentlemen yield?

Mr. LANE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, the gentleman is making a very fine speech in paying tribute to these men in our merchant marine. It is very proper and appropriate. The gentleman has in mind a number of bills that are pending before the House Committee on Merchant Marine and Fisheries, including a bill known as the Peterson bill.

Mr. LANE. That is correct.

Mr. McCORMACK. Several years ago I introduced similar legislation relating to those who served in the merchant marine during the last war. These men risked their lives on many occasions and served on unconvoyed ships, particularly in the early days of this war. They have rendered a valiant service throughout the entire war. I want to compliment the gentleman from Massachusetts for the remarks he is now making and also to express the strong hope that legislation along the lines contained in the Peterson bill will be reported out of that committee. If so, I shall do everything in my power to bring the bill up in the House for consideration as soon as possible and trust it will have overwhelming support.

Mr. LANE. I thank the distinguished majority leader for his very helpful contribution.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. LANE. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman is making a very fine statement and I know the gentleman will add later that these ships went out not only unconvoyed but were not suitably armed. Also, they were poor ships in many instances.

Mr. LANE. I thank the gentlewoman.

Mr. PATRICK. Will the gentleman yield?

Mr. LANE. I yield to the gentleman from Alabama.

Mr. PATRICK. Mr. Speaker, I want to compliment the gentleman for taking the stand he has on the floor of the House in reference to these men. Later in his speech he will probably tell us that these men in the merchant marine were men whose patriotism called them into the service. These were men who went into the merchant marine when they could not get into any other service and it was

their undying patriotism which inspired them to go into the merchant marine. I think these men should be on the same footing as any others.

Mr. SHAFER. Will the gentleman yield?

Mr. LANE. I yield to the gentleman from Michigan.

Mr. SHAFER. In line with the remarks of the gentleman from Alabama, may I say that these men in the merchant marine went through hell to deliver the goods. Today they are being drafted under the Selective Service Act as they are being retired from the merchant marine. I have introduced a bill, which is now pending, to prohibit that situation from existing any longer.

Mr. LANE. I would like to join with the gentleman on that bill because I think it is an outrage that such a situation should exist.

Mr. PATRICK. I would also like to join the gentleman from Michigan in that statement.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. Mr. Speaker, I desire to add my voice to the compliments of the distinguished majority leader when he congratulated my colleague from Massachusetts for his splendid effort on behalf of these boys in the merchant marine. There is no finer class of boys who rendered service to the country than these men. I want to assure my colleague that he has my wholehearted support and I hope he will continue to press action on this bill.

Mr. LANE. I thank the gentleman for his support and assistance.

Mr. PETERSON of Florida. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. May I say, in addition to what has already been said, that the gentleman from Massachusetts [Mr. LANE] has been very diligent in his efforts on behalf of the men of the merchant marine. He has made many excellent suggestions, he has urged early hearings on the bill and was one of the first men in the committee room to testify in support of it. I thank the distinguished majority leader for the suggestions, help, and encouragement he has given in getting this bill reported to the House.

Mr. LANE. May I say that no one has been more active in sponsoring this bill than the gentleman from Florida [Mr. PETERSON]. He is to be complimented and congratulated for his work in bringing out this bill and giving it a fair hearing before his committee.

They went down to the sea in ships, matching their skill and courage against the bombs and torpedoes which searched them out. Theirs was a constant, nerve-racking vigil against enemy ambush that was frequent, swift, and deadly. Many ships went down with many men. But the line never faltered. The cargoes had to get over. Space was too important to be sacrificed to guns and protective armor. The merchant marine was expendable.







OFFICE OF BUDGET AND FINANCE  
Legislative Reports and Service Section

79th-1st, No.18

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued October 22, 1945, for actions of Friday, October 19, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House passed appropriation-rescission bill. House committee reported measure to permit Government-owned alcohol plants to provide sugar and sirups. House received supplemental appropriation estimates for this Department. Rep. Smith introduced bill to provide cheese-import quota.

HOUSE

1. FIRST SUPPLEMENTAL APPROPRIATION RESCISSION BILL. Passed with amendments this bill, H.R.4407 (pp. 9981-10020). Rejected amendments by Rep. Anderson, Calif., (77-82), to strike out the language requiring liquidation of the emergency rubber project before June 30, 1946 (pp. 10011-2); by Rep. Poage, Tex., (60-101), to provide for the liquidation of the emergency rubber project but to "leave the door open for further consideration of the research program" (pp. 10012-4), by Rep. Dworshak, Idaho, (114-121), to increase the FEA figure by \$500,000,000 because of "the failure of FEA to cancel contracts" (pp. 9998-10001); and by Rep. McCormack, Mass., (85-135), to postpone return of employment services to the States until June 30, 1946 (pp. 10002-10).
2. SUGAR; ALCOHOL. Ways and Means Committee reported without amendment S.J.Res. 100, to permit Government-owned alcohol plants to produce sugars and sirups simultaneously with alcohol production (H.Rept. 1140)(p. 10022).
3. SMALL BUSINESS. Received WPB's 20th report on SWPC. To Banking and Currency Committee. (p. 10021).
4. FULL EMPLOYMENT. Received a Textile Workers Union (N.J.) resolution favoring the full-employment bill and a VFW resolution favoring full-employment through private-spending and free-enterprise systems before Government-spending programs (p. 1023).
5. APPROPRIATIONS. H.Doc. 330 (see Digest 181) contains supplemental appropriation estimates of \$8,795,300 for "Flood control, General" and \$15,000,000 for "Flood control, Mississippi River and Tributaries," to continue projects suspended during the war, provide for advance planning, and initiate new projects.  
H.Doc. 328 (see Digest 181) contains supplemental estimate of \$2,971,000 for Corporate Audit Division of GAO.  
H.Doc. 331 (see Digest 181) contains various supplemental appropriation



estimates totaling \$86,540,000 for reclamation work by Interior.

Received from the President supplemental appropriation estimates for 1945 for Insecticide Act, \$26,500; foreign plant quarantines, \$250,000; forest highways, \$2,000,000; forest roads and trails, \$2,000,000; CCC, administrative expenses from corporate funds limited to \$1,000,000; and Farm Labor Supply Program, \$14,000,000, providing for the continuation of existing funds and that not less than \$5,000,000 is to be apportioned to the States for intrastate programs (H. Doc. 342). To Appropriations Committee. (p. 10022.)

Received from the President supplemental appropriation estimates for claims allowed by GAO, \$3,183,850.44 (H. Docs. 353 and 348); judgments and claims (H. Docs. 355, 356, and 357); and for damages to privately owned property (H. Doc. 350). To Appropriations Committee. (p. 10022.)

#### SENATE

NOT IN SESSION. Next meeting Mon., Oct. 22.

6. TAXATION; PURCHASING. H. R. 4309, the pending tax bill (see Digest 178) provides for continuation of the Treasury Department's power to authorize Government exemptions from certain excise taxes.

#### BILLS INTRODUCED

7. EDUCATION; VOCATIONAL TRAINING. H. R. 4384 (see Digest 180), by Rep. Barden, N. C., authorizes appropriation of \$20,000,000 for vocational education in agriculture including supervision of the activities related to vocational education in agriculture, of the Future Farmers of America and the New Farmers of America. Requires State (and territories) matching of 50% of the appropriation.
8. CHEESE IMPORT QUOTAS. H. R. 4455, by Rep. Smith, Wis., to establish import quotas with respect to cheese of various types of kinds and grades. To Ways and Means Committee. (pp. 10022-3).
9. RESEARCH. H. R. 4454, by Rep. Gossett, Tex., to promote the progress of science to secure the national defense; and to advance the national health. To Interstate and Foreign Commerce Committee. (p. 10022.)
10. PERSONNEL; VETERANS. H. R. 4449, by Rep. Anderson, Calif., to prevent the laps of reemployment rights of veterans when the Selective Training and Service Act becomes inoperative. To Military Affairs Committee. (p. 10022.)
- H. R. 4454, by Rep. Wickersham, Okla., to provide for the payment of accumulated or accrued leave to certain members of the military and naval forces of the U.S. who enter or reenter civilian employment of the U.S., its territories or possessions, or of the District of Columbia. To Civil Service Committee. (p. 10022.)
11. EDUCATION. H. R. 4452, by Rep. Wickersham, Okla., to establish a temporary agency to be known as the Commission on Emergency Federal Aid to Higher Educational Institutions. To Education Committee. (p. 10022.)
12. FLOOD CONTROL. H. R. 4451, by Rep. Woodruff, Mich., to authorize a preliminary examination and survey of Saginaw River and its tributaries, Mich., for flood control, for run-off, and water-flow retardation. To Flood Control Committee. (p. 10022.)
13. VETERANS. H. R. 4450.



spend that money for a thing which proved to be absolutely worthless and senseless.

[Mr. RANKIN addressed the House. His remarks will appear hereafter in the Appendix.]

#### ECONOMY.

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, a hasty count of those 82 immortals who voted "no" yesterday upon a bill to spend \$650,000,000 to \$700,000,000 that we do not have, have not got, and create inflation, reveals 12 members of the Democratic Party and 70 members of the Republican Party voting to save the country.

#### EXTENSION OF REMARKS

Mr. NORRELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short article.

Mr. MASON asked and was given permission to extend his remarks in the RECORD and include an editorial.

#### REDUCING CERTAIN APPROPRIATIONS AND CONTRACT AUTHORIZATIONS AVAILABLE FOR THE FISCAL YEAR 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4407, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, general debate is limited to 3 hours, to be confined to the bill, one-half of the time to be controlled by the gentleman from Missouri [Mr. CANNON] and one-half by the gentleman from New York [Mr. TABER].

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. How much time is left?

The CHAIRMAN. Three hours. None of the time has been used in general debate.

Mr. RANKIN. It is all general debate?

The CHAIRMAN. Under the rule, general debate will extend for 3 hours.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, it is the intention to read the bill after general debate is concluded?

The CHAIRMAN. That is the understanding of the Chair. General debate is to be confined to the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we report this morning one of the notable bills in the annals of the committee and the Congress. A hundred years from now it will be looked back upon as one of the landmarks in fiscal legislation.

It is extraordinary both in purpose and dimensions.

It reverses the usual functions of the committee and its bills and, instead of providing for expenditure, precludes expenditure. And it deals with amounts of a magnitude unprecedented in any bill in any legislative body in any country in any period of the world's history—considerably over \$50,000,000,000, a sum so stupendous as to be incomprehensible to the finite mind of man.

When appropriations were provided for the fiscal year, 1946, the period beginning July 1, 1945 to June 30, 1946, we provided for the full 12 months of the fiscal year. As a matter of fact the war lasted only about a month and a half of the fiscal year. The proposal now before us is to recover the unexpended portions of these funds which would have been used for war purposes had the war continued.

Of course, we cannot, as might be imagined at first blush, reclaim all of this money remaining unexpended at the close of hostilities. Although the war is over so far as the fighting is concerned, the war is not over so far as expenses are concerned. It requires vast sums to liquidate war activities and get back to a peacetime status. For example, although we are demobilizing our armed forces at a more rapid rate than any victorious army has ever been discharged, there are still millions of men who must be fed, clothed, housed, hospitalized, transported, and cared for until we can return them to their homes and muster them back into civilian life.

The committee took unprecedented action in contemplation of this emergency more than 2 years ago. We included in our deficiency bill at that time a provision under which the Bureau of the Budget was instructed to maintain a continuing study of all war appropriations and to report periodically to the Congress the status of the appropriations, the amount expended, the amount remaining uncommitted, and any surplus to be reclaimed. So when the end came, rather unexpectedly, with the surrender of the Japanese Empire to the American armies, we were ready to take immediate action. We had the essential data at hand. The day following the surrender of the Japanese Army we made arrangements to begin hearings. Through the Bureau of the Budget we notified the war agencies and departments to prepare to come in and give an accounting. Hearings started the day Congress convened, and continued, without interruption, from that day until the bill was reported, every day in the week, sometimes beginning as early as 9:30 and running as late as 7 o'clock at night.

Most of the agencies cooperated loyally with the committee. Others were reluctant to disgorge. Some started a race to commit everything they could before their funds were frozen. That is why we had to move with such celerity. We had to get the money before it could be spent.

The original estimates for rescission aggregated \$49,068,021,928. Following searching recapitulations by the committee, many agencies which were requested to resurvey their fiscal programs, submitted revised estimates yielding an additional \$951,045,533. In addition, the committee, acting on its own judgment, after a careful study of the situation, proposes a further cut of \$2,443,270,277. So that the bill submitted today carries a total rescission of \$52,453,535,278. In connection with the two bills of this character passed since the surrender of Germany, this bill presents a combined rescission of \$56,810,654,273, approximately one-fifth of the national debt, which it is now proposed to return to the Treasury. The effect upon future taxation and on the credit of the United States of thus reducing the ultimate amount of the public debt is beyond calculation.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arkansas.

Mr. NORRELL. Has the gentleman investigated to ascertain what the national debt will be after this total credit has been made?

Mr. CANNON of Missouri. It is impossible to say at this time. War expenditures are continuing and will continue for some time to come. For that reason we have not included in this bill, as huge a bill as it is, the full amount we expect to be able to eventually salvage. The bill reserves such amounts as can be impounded without interfering with demobilization or reconversion. We expect to make further rescissions when the committees take up the 1947 Budget.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not true that an appropriation of money is merely an authority for the agency for which it is appropriated to spend the amount appropriated? Is it not a fact that by the rescission of these appropriations as contemplated and embodied in this bill you are simply denying to the agency the right to spend a portion of the appropriation which is rescinded and that it will in no way cut down the public debt? The public debt is represented by money that has been spent which they did not have in the Treasury. And that amount of money is not transferred to the public debt until it is actually spent. Therefore, the rescission itself cannot affect the the present public debt but may have some effect in curtailing a rise in the public debt. Is that not true?

Mr. CANNON of Missouri. In this bill we deal with the two methods providing for expenditure—the appropriation of actual cash, under which the department is authorized to draw upon the Treasury, and contractual authoriza-



tion, under which the department contracts indebtedness for which cash must later be appropriated. Appropriation does not necessarily involve debt. It is only when the funds in the Treasury have been exhausted, and it is necessary to issue bonds, Treasury certificates, or unsupported currency that debt is created. But, of course, deficit spending—the appropriation of funds in excess of the public revenues—can be continued only through increases in the public debt sufficient to make up the deficit. So a rescission of appropriations or cancellation of contractual authorizations rendering it unnecessary to sell Government bonds or otherwise float Government loans means a reduction in the cost of the war, in deficit spending, and eventually in the national debt. The rescissions in this bill have no immediate effect on the \$270,000,000,000 of national debt now outstanding; they prevent the debt from being increased by these items to a total of \$326,000,000,000 and to that extent reduce the national debt.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arizona.

Mr. MURDOCK. On the occasion when the committee reported out the other bill recapturing for the Treasury certain no longer needed war appropriations, I congratulated the gentleman in bringing in a unique bill returning to the Treasury money which was not needed to be spent now in the interest of the public safety. I want again to congratulate the gentleman in today bringing in a bill providing for the return of a much larger amount. Congress was generous, as it should be, in appropriating to carry on the war successfully. Let us not spend a dollar on the war unnecessarily.

I am glad to hear the gentleman say that after carefully weighing these items, the committee tried, in recapturing this vast sum, not to interfere at all with the problem of demobilization or reconversion. I trust the gentleman has studied all such items carefully, including combination items both for war and peace, because there is danger now that in our economy-mindedness we may cut too deeply and thereby interfere with demobilization or total reconversion. I would like the committee in its program to be as wise and generous in furnishing funds for victory, in peace as it was in furnishing funds for victory in war. I think the committee has been careful in this measure and I urge the committee to be careful not to cut so deeply anywhere that it will interfere with demobilization, reconversion or the proper post-war expansion of our economy in furnishing jobs.

Mr. CANNON of Missouri. We are glad to have the approval of the gentleman who has always cooperated with the committee in its efforts to save money. I fully agree with him that we should be careful here not to interfere with reconversion or demobilization.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Iowa.

Mr. JENSEN. I think at this point it would be right and proper to inform the Congress and the country that after this \$52,453,535,278 is recaptured there still remains a balance which can be spent in the amount of \$94,040,866,499 during this fiscal year.

Mr. CANNON of Missouri. Does the gentleman want to include that in the bill also? If it is included, there will not be a man able to get home.

Mr. JENSEN. The gentleman is not fair in that statement. Of course, he knows we cannot take it all away.

Mr. CANNON of Missouri. What does the gentleman want to do? He called attention to it.

Mr. JENSEN. I want the American taxpayers to know what the great New Deal spenders still have got this great sum of over \$94,000,000,000 to play with.

Mr. CANNON of Missouri. If it is to play with why not take it away. The gentleman knows it is for demobilization and liquidation of war activities. And it might be added that the gentleman himself voted to put every dollar of it there.

Mr. JENSEN. I did not. The gentleman knows I did not.

Mr. CANNON of Missouri. The gentleman voted for these appropriations.

Mr. JENSEN. I think the gentleman is very unfair when he makes that statement, because he knows it is not a fact.

Mr. CANNON of Missouri. Every time an appropriation came up here for prosecuting the war the gentleman voted for it. That is what this is. Every dollar of it is from the war appropriations and the gentleman voted for every one of them.

Mr. JENSEN. Sure; I voted for the war appropriations. I voted for everything for war. I did not vote for a lot of these "pork-barrel" measures.

Mr. CANNON of Missouri. There is no "pork" here. All we have left is for demobilization and liquidation. But there was a "fat pork" bill on the floor yesterday. How did the gentleman vote on that?

Mr. JENSEN. I voted against it.

Mr. CANNON of Missouri. I congratulate the gentleman. All who voted for the airport bill voted to increase the national debt. It is deficit spending. The amount for the airports will have to be added to the amounts for the war and that means added to the national debt. And they voted to decrease the national revenue by \$7,000,000,000 so it will be that much harder to pay the national debt.

Mr. JENSEN. Did the gentleman from Missouri vote against it?

Mr. CANNON of Missouri. I certainly did.

Mr. JENSEN. I congratulate the gentleman.

Mr. CANNON of Missouri. I thank the gentleman.

We work together. I hope we can continue to stay together on this bill.

The preparation of the bill has been a tedious and laborious task. We have been on it since the 5th of September and I want to take advantage of this opportunity to express appreciation of the work of the minority on the subcommittee. We have had earnest and con-

scientious cooperation from the four members of the subcommittee on the minority side of the table.

Of course, the real credit for this bill goes to the clerk of the committee, John Pugh. I really do not know whether he has eaten or slept since this bill has been under consideration. There has never been a time when I called him, even on Sunday, from early morning until midnight, but what he was at the telephone in his office at the Capitol, ready to look up any data, ready to give any information needed in the work on the bill, and ready to take up the preparation of the next day's program. In my opinion, he knows more about the Military Establishment and the Naval Establishment than any man living today. He has rendered incalculable aid in the retrenchment of these vast appropriations. If the money John Pugh has saved the United States Government could be segregated, it would pay his salary through eternity. I want to express to him, for the committee, for the House, and for the country, our great appreciation of his indefatigable labor on this bill and his wise and experienced counsel in its preparation.

And that bring to mind the fact that the Members of this House, individually, are also entitled to credit for services performed.

We have had the privilege of entertaining on this floor the great war leaders as they came back from the scene of action in Europe and in Asia. We have acclaimed their deeds and expressed our appreciation. So I may be pardoned if I call attention at this time to the service that the Members of the House have rendered in the war program and the war effort.

[Mr. CANNON of Missouri addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

The Appropriations Committee is to be congratulated on having reported a bill to cut down appropriations. On the other hand, I do not want anybody to feel, either in the House or on the committee or outside in the country, that the job is anywhere near done. If anyone has in front of him page 2 of the committee report, I can demonstrate that in a moment.

The total funds available for different war activities at the time this set-up was considered, as of July 1, 1945, was \$146,427,000,000. This cut involves \$52,435,000,000, leaving a balance of funds available for expenditure or contract authorization or anything of that character of \$94,000,000,000. The Budget estimates, and they are not very far from the mark, that the expenditures of the Government for the particular purposes specified in the bill in the fiscal year 1946 in which we now are, that is, the year ending June 30, 1946, will be \$50,000,000,000. This means there is still \$44,000,000,000 of velvet kicking around that we need to dig up and recover for the Treasury. I am in hopes we shall be able to find a way of salvaging that



velvet before the departments of the Government get the idea that they can run wild and spend it.

Possibly some of the cuts have not been as deep as they should be, perhaps because we did not have information enough to offer the amendments that ought to be offered.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes; I will yield to the gentleman from Michigan.

Mr. HOOK. Does the gentleman feel it is good economy for the Federal Government to appropriate \$30,000,000 and turn it over to the States to be administered?

Mr. TABER. The bill contains no such proposal. It does contain a proposal to turn \$30,000,000 over to the States for the administration of the Wagner-Peyser Act. The reason for that is that we can undoubtedly secure some efficient administration that is now being denied the workers of America and the returning veterans if we return that money to the States for administration. I want to protect the workers and the returning veterans instead of having continued inefficiency.

Mr. HOOK. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. HOOK. The gentleman will admit that this \$30,000,000 was appropriated and is Federal funds.

Mr. TABER. It was not appropriated, but it is Federal funds. The statute presently requires an allotment to the States for administration, and that is what we propose, to go back to operating under the statute and cease operating under an Executive order for which there was no basis in law.

Mr. HOOK. In other words, the gentleman believes that it is good policy for the Federal Government to give the funds to the States without the States putting up any matching funds whatsoever.

Mr. TABER. I believe it is good policy for the States in accordance with the law to continue the practice that has been denied for a great many years in providing for these employment agencies; and I believe that if we do it even the gentleman will realize that we have been the friend of the workingman and the returning soldier.

Mr. HOOK. I do not think so.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VURSELL. I believe it should be stated that we are recapturing \$52,000,000 in this bill pertaining to the Employment Service and are expending only \$30,000,000.

Mr. TABER. I do not believe we are recapturing quite as much as that, because there has been a considerable expenditure out of that figure; but we are recapturing a considerable amount.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. It is true, is it not, that in 1933 the Congress of the United States declared a national policy by adopting the Wagner-Peyser Act and that that is

the only law on the statute books at the present time with reference to the operation of employment office facilities; and all that it is proposed to do here is to return to the declared national policy and operations under that policy as prescribed by the law adopted by a Democratic Congress at the instigation of President Roosevelt in 1933?

Mr. TABER. That is all it is proposed to do. The only authority that there was in law for any operations otherwise was an appropriation that was brought in here by the Appropriations Committee to carry on that Federal set-up. The Federal set-up is not doing the job; therefore we should get back to the States and have it done the way it used to be done, effectively and efficiently, rather than to play false to the workmen and the returning veterans by trying to carry it on as it is.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. TABER. Not at this time. I think I have covered that particular situation.

Mr. HOOK. Mr. Chairman, I make the point of order there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seventeen Members are present, a quorum.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. With regard to this Dirksen amendment in connection with the transfer of the funds at this time, the only reason I would take exception is because of the tremendous load that the agency has at the present time. With the returning veterans and with the reconversion program going on, so many people using the facilities of the office at a time like this, it seems this is a most inappropriate time to do it. I think some sort of a date set in the future for return of this agency to the States would not be objected to by the House and would not cause the confusion that the proposal before us is going to cause.

Mr. TABER. The reason I would like to see it done right away is that we are faced with a terrific confusion as a result of a failure of a lot of these people, who are let out of employment in places, to be placed properly, effectively, and efficiently by the service at this time. I believe the return to the States would get rid of the confusion and uncertainty, and that is why I feel this is the time to do it. That is the reason I am for it at this time. I would be willing to accept the amendment that the gentleman from Mississippi [Mr. RANKIN] proposed, but I feel that we ought to go along and clean up this picture so that the folks can come back and go to work and so that the reconversion program can be accomplished and our people may have the opportunity to earn their daily bread.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. I was just going to ask if it is not a fact that practically every governor in the United States has requested that this change be made and that it be made immediately.

Mr. TABER. I think that is correct. Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. DOYLE. From California we get no report of confusion or lack of efficiency on the part of the present Administration. In view of the gentleman's statement that there is inefficiency and confusion, will he please tell us what evidence he has to support that statement? If it is a fact I would like to know.

Mr. TABER. I live in the United States and they have those offices up in my territory, and I know something about what is going on.

Mr. DOYLE. What is the fact?

Mr. TABER. And I hear from other places to the same effect, and I do read the newspapers. That is the basis of my information.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. REED of New York. I am very much interested in what the gentleman has to say. There has been a mass of evidence brought in here of a documentary character in reference to the boys who are coming back now, how they are simply being brushed aside by these agencies that are supposed to give them preference, both in civil service and the Government agencies. They do not have a chance to break in under the present set-up.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. DIRKSEN. In response to the inquiry raised by the gentleman from California, on September 20 the chairman of the Employment Stabilization Commission of the State of California in a telegram says as follows:

Need for prompt return of employment service to States continues imperative to enable proper coordinated administration of joint program to meet local employment and unemployment compensation problems.

Mr. TABER. I think that that is the general picture all over the United States.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. JENKINS. May I say that that was profoundly brought out in the hearings before the Committee on Ways and Means, that practically every State agrees that this ought to be done. The people quite generally feel that this ought to be done and there is no question that it ought to be done. There might be some question as to the right method of doing it, and whether this is the right method, but there cannot be any question but what it ought to be done.

Mr. TABER. May I say that the law presently provides for its being done, but the funds are not available to do it in



the way that the law provides that it be done. In this amendment, carrying out existing law, which was adopted by the committee and is now before the House, we are just cutting an appropriation for something that was not authorized by law and providing the funds for the method that is authorized by law to handle the picture.

Mr. JENKINS. If the gentleman will yield further, if we are going to give consideration to finances, there is no question but what this is financially the best way to do it.

Mr. TABER. It does not cost as much money and it does a better job.

I just want to call attention to two or three things in this bill as I go along that I do not believe have been cut as deeply as they ought to be. As to most of them I am not going to offer an amendment at this time, because we do not have sufficient data yet to justify the kind of a cut that ought to be made. There will still be available \$1,200,000,000 to be obligated after the middle of August by lend-lease. That, to my mind, is too much. To my mind they have not canceled outstanding contracts the way they should, and reported the salvage, so that we could take advantage of it. In our hearings we were unable to find a satisfactory point from which we could properly and intelligently operate. I do believe that the situation requires further action and prompt action in connection with that item.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Idaho.

Mr. DWORSHAK. I desire to compliment the gentleman from New York, the ranking Republican on our Appropriations Committee, on his efforts during the hearings to ascertain factual data concerning the operations of the lend-lease program. I have studied the hearings on that subject and am amazed at the amount of confusion and the lack of definite information that was made available to the committee at that time. It is very obvious that the gentleman from New York is not satisfied with the representations made by the officials of FEA on lend-lease, and I believe that he should make an effort to present additional information. I think the gentleman has done a splendid job in that regard and should continue his efforts so that the House may have some definite understanding as to the implications and the scope of lend-lease now that the war has ended and the President has terminated lend-lease, on August 17.

Mr. TABER. I believe we could add a billion dollars to that cut without hurting it. On the other hand, I do not have the data I would like to have when I come here in the well to talk.

Now, the State Department. We have this OWI proposition transferred to the State Department with an enormous personnel. They are operating a short-wave propaganda broadcasting set-up in New York City with a present personnel of about 2,000. They have another outfit in San Francisco with a very large personnel. How is it possible for any self-respecting man or any man of capacity to act effectively as Ambassador

from this country to any other country and have somebody in an independent status from New York City or San Francisco broadcasting American views in there without any control from that Ambassador? I frankly do not see how there can be anything resulting from that except utter and complete confusion. It is a set-up that must have further attention and must be coordinated. If the State Department does not do it awfully fast, the Congress ought to do it and do it quickly.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. Does the gentleman say that all of the personnel of OWI is being transferred to the State Department without any reduction?

Mr. TABER. Not quite all. Some of it is going other places, but the bulk of it goes there. Some of it has been cut off, but not enough.

Mr. SPRINGER. How much has the reduction been in the personnel?

Mr. TABER. It is hard to tell. There has probably been a reduction of a couple of thousand, or it may be a little more, including the overseas personnel. I do not have that figure in my head. But it should go a great deal further.

Mr. SPRINGER. That reduction of approximately 2,000 is out of how many employees?

Mr. TABER. Probably 8,000 or 10,000.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Do I correctly understand the gentleman to say that there are probably 6,000 of those dead beats on the pay roll at this time, in a country where we have a free press, where we are covered up with papers and with pamphlets, and where there is no end to the publishing of books? Does the gentleman mean to say that when the country is broke we are still paying those parasites?

Mr. TABER. There are plenty on the pay roll yet. It might not run 6,000 today, but it would run a very considerable number—very close to it.

Mr. JENNINGS. If there is a baker's dozen of them, it is too much, unless they are paying their own expenses and working for nothing.

Mr. TABER. Did the gentleman ever hear of anybody of that type working for nothing?

Mr. JENNINGS. Of course not.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself ten additional minutes.

Now, I want to get into another situation, and that is the War Department and the Navy Department situation. I call attention to the fact that when the 15th of August arrived we had about 8,000,000 officers and men in the Army and we had about 3,400,000 officers and men in the Navy.

At the present time there has been a considerable reduction in it. But let me call your attention to this fact: When we started hearings, the rate of discharge out of the Army was approxi-

mately 15,000 a day. Today I am advised that the rate of discharge is 48,000 a day and that it probably will go higher. In the Navy the rate of discharge was about 5,000 a day and today it is approximately 10,000 a day.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. This morning's press says that the rate of discharge from the Navy is above 11,000 a day.

Mr. TABER. I thank the gentleman.

The Marine Corps discharge rate has gone up. I am satisfied that the things we said in the Appropriations Committee to the representatives of the armed forces has had a very salutary effect upon the increase in the number that were discharged. That is not a partisan statement. I will hand just as much credit to the majority side on that proposition as to the minority side. But the Congress of the United States is entitled to some of the credit for the stepping up of that discharge rate. I want to see that understood by the people back home.

We have made a revision of the money that we would allow the Army and Navy for pay and that sort of thing with the idea of getting them to step up these discharge rates just as much as we could and still not upset the needs of the Army. That they could do it is evidenced by the results that have been achieved since we began to operate. For instance, on the first day of October, there were 2,875,000 enlisted men in the Army in the continental United States. On top of that, there were 500,000 officers, about 18 percent of the strength of the enlisted personnel. Anybody who thinks at all realizes that that is a ridiculous situation, and that they have too many Reserve officers on active duty. They have to have a lot of enlisted men lolling around in front of them to keep them busy. Now those things have got to come down and I think the Army has begun to realize it.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. O'HARA. I think the gentleman's comment on the officer situation in the War Department is a very timely one. But the gentleman surely realizes that part of the reason for the slow demobilization is that in the case of some of these officers, in order to justify keeping their rank and keeping them on the pay roll, they must have a lot of enlisted men around them.

Mr. TABER. That is just the picture that I have tried to present. It is because we have allowed so many of them to hang on that we have so few discharges as of this date although the picture is improving.

Now, let me give you the Navy picture: In the United States today there are 51,000 Reserve officers on active duty in the Navy in the continental United States who are really not fit for sea duty.

Just think of it. You and I, when we provide an Army and Navy, want a fighting Army and a fighting Navy. That applies just as much to the ma-



jority as it does to the minority. We do not want overage officers, overage enlisted men. We do not want to allow that situation to arise which came to us after the last war, where we had second lieutenants over 60 years of age in the service. And let me say to you, it took over 15 years after the last war before we got rid of a lot of those people who were so far over age or were so unable to do the job they ought to do.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAY. In connection with the gentleman's remarks, I would like to say that we had legislation after I came here in 1930 dealing with what we called the hump in the Army.

Mr. TABER. That is right.

Mr. MAY. There were more than 10,000 unnecessary officers in the service.

Mr. TABER. And they were not any good to the Army. We had to do the same thing and had the same kind of legislation with the Navy. I do not want that situation to exist in the days to come.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ENGEL of Michigan. I think this is a good place to call attention to page 802 of the hearings, in which General Robins, at my request, placed in the record a statement of the enlisted troop strength in the continental United States during the fiscal year 1946.

That record shows that in July they had 3,264,000; August, 3,402,000; September, 3,370,000; October, 3,310,000; November, 3,250,000; only 14,000 less in November than in last July. December, 3,140,000. January 1946, 2,935,000; February, 2,740,000, and so on down. Not until May are they getting down below 2,200,000. All of those men are drawing pay, are being kept in the United States.

Mr. TABER. And that is the reason the committee made a cut, so that we would be rid of that situation. That is how the War Department was able to step up its discharge program and get rid of 4,000,000 men by Christmas.

Mr. ENGEL of Michigan. They would not discharge men in this country because they did not have 70 points. They would not send them across, because they had more than 45 points. They were frozen right here. In the meantime, we were paying their pay.

Mr. TABER. And they had nothing to do.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. O'HARA. I wonder if the gentleman could tell me how many hundred thousand officers there are in the Pentagon Building.

Mr. TABER. I do not have that figure. I think perhaps the gentleman from Michigan [Mr. ENGEL] may have it.

Mr. ENGEL of Michigan. We do not have any figures on that.

Mr. TABER. All it will hold. I think that is the best answer; and it is the most enormous building in the world.

Mr. ENGEL of Michigan. And they are not all in the Pentagon Building,

either. Some of them are in other buildings in rented space.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RABAUT. I would like to call attention to the language on page 17 of the report.

Mr. TABER. I think that should be in the RECORD.

Mr. RABAUT. It is just a short sentence.

Both—

That is the Army and the Navy—

Both should immediately adopt the policy of releasing any officer or enlisted person as and when they become surplus, points or no points.

Mr. TABER. That is correct.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES of Kansas. I appreciate the gentleman's statement. I think he has done a splendid job.

It seems rather strange to me, as a Member of this body, that in order to reduce the number of the members of the armed forces it becomes necessary for the Appropriations Committee to take the money away from the War Department and the Navy Department to get it done.

Mr. TABER. There has never been any other way in the history of this Congress way back to the beginning that that could be done; that is the situation. I hope as a result of this last operation of the Navy in announcing cuts in personnel that we shall be able on the floor as a result of a committee amendment, in which I hope all of us will join, to make a little further saving in connection with this personnel picture; and I am sure it will expedite discharges if we do it. I am not going to get into a detailed discussion of that, because it is a matter that is being worked out, and I hope we shall have something to present to you with a united front a little later.

There have been some things in this war that have been disturbing. We started off with the Pearl Harbor situation and the participation there of Hans Wilhelm Rohl, a German subject, and his partner, Colonel Wyman. We followed that with the Alcan Highway and the Central American Highway. Those things have not made a very satisfactory impression upon the public. I hope the thing will clear up some time and that we shall know in detail just what has happened.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAY. I wish to call the gentleman's attention to the fact that the gentleman from North Carolina [Mr. DURHAM], a member of the House Military Affairs Committee, conducted the hearings as chairman of the subcommittee that led to the revelation of the Theodore Wyman situation. We filed a written report at the time disclosing it all in this House. Neither the press, radio commentators, nor anybody else said a word about it. They waited until something further happened and then began

to discuss it, when, as a matter of fact, it was revealed from the very beginning.

Mr. TABER. I believe that is true, but everybody was so tied up in this war picture that we could not do justice to a lot of those things. But I do want to say one word about the postwar Navy picture. I think I understand that somewhat for I served for 10 years on the naval subcommittee. The plan that I understand is pending before the Naval Affairs Committee on the postwar Navy—a tentative plan, of course, for we cannot tell the kind of postwar Navy we are going to need right now, but the thing in that picture that struck me and struck me hard was that they propose a large number of combatant ships with a complement of 120,000 men. I would not quarrel so much with that but they then proposed a large number of auxiliary ships to be kept in active commission and propose a complement for the auxiliary ships of 137,000 or 17,000 more than they were going to put on the combatant ships.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself two additional minutes.

The CHAIRMAN. The gentleman from New York is recognized for two additional minutes.

Mr. TABER. What kind of Navy do we want? Do we want an ornamental Navy that takes a lot of waiting on or do we want a fighting Navy? The matter of auxiliary ships can be stepped up and taken care of when we get to the point where war is approaching. The combatant ships we have to have in training with the far-flung bases that we are going to have following this war, but we do not need half of such an auxiliary set-up and we ought to figure our situation along some such lines as that. We should bear these things in mind when we come to think about a postwar Navy.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. O'NEAL. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. MAX].

Mr. MAY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, under leave to extend my remarks, I include an item appearing in Jim Brady's column Inside Washington.

The great task of administration accomplished by our military leaders in World War II merits the praise of every American. Without the leadership ability, organizational qualities, and character of the men mentioned in Mr. Brady's column, victory could have not been won so soon and the lives of many more citizens would have been taken to crush our enemies.

The column follows:

INSIDE WASHINGTON

(By Jim H. Brady)

BEHIND THE SCENES OF WORLD WAR II—THE BIG FIVE OF AMERICAN MILITARY ADMINISTRATION

Bashful, hard working and efficient in their jobs have been five great Americans. Their contribution to the victory that has been



won shall never be forgotten. Late Secretary of the Navy Frank Knox; retired War Secretary Henry L. Stimson; Secretary of the Navy Jimmy Forrestal; General of the Army George Marshall, and Fleet Admiral Ernest J. King formed the greatest administrative combat team in world's history.

#### Frank Knox

A Chicago newspaper publisher, Frank Knox came to Washington with an ambition of building the greatest two-ocean navy in the world. Until December 7, 1941, some Congressmen and quite a few Government experts couldn't agree with Knox. However, after the Jap attack the late Navy Secretary was given the proper credit for his effort to build a navy.

Carrying on the tradition laid down by Teddy Roosevelt many years before, Frank Knox worked day and night for a mighty navy which he termed the "most important security measure we could take." He didn't live to see his navy steam into Tokyo Bay. But when Frank Knox died of heart failure caused from overwork, he had a confident feeling about the Navy and the ultimate fate of the Japanese. Few men in history have made the record of our late Navy Secretary. As present Secretary Forrestal says "The work of Frank Knox will go down alongside the accomplishments of Teddy Roosevelt."

#### Henry L. Stimson

Twice Secretary of War and once Secretary of State, all in time of crisis. That is the record of Henry L. Stimson who retired a few weeks ago on his seventy-eighth birthday. Stimson was a colonel in World War I. He was one of the first to advocate a strong Army, compulsory military training, and international cooperation.

When he first came to Washington he was branded a warmonger by his enemies. Many feared his internationalistic ideas. President Roosevelt saw war coming and immediately sent for Stimson. He continued his job throughout the war in spite of failing health and age.

As Stimson left Washington last week there was a confident smile on his face at the airport. The soldier-statesman knew America had learned her lesson. Yes; we will keep an Army, Navy, and the atomic bomb. We will train men and remain secure. And, the next time Stimson says "remain prepared," we will respect his warning.

#### James Forrestal

James Forrestal, a regular fellow, has been referred to as the "wonder boy of Wall Street." He loves the Navy and wants to fight for it. Nobody is going to junk our Navy this time. If somebody has the bright idea, they will have to buck Forrestal and I doubt if that would be fun.

He follows the footsteps of the late Secretary Knox. Forrestal believes that our Navy is our first line of defense. He is a strong supporter of compulsory military training.

There isn't an admiral in the Navy who doesn't admire and respect Forrestal. In spite of being many years their junior, they see him as a great fighter and diplomat.

Forrestal is a good mixer. He isn't afraid of bullets, either. Wearing the uniform of a marine enlisted man with a civilian tie, Forrestal has been in several of the Navy's toughest invasions. He has a lot of fun visiting the fellows in their fox holes and talking over the Navy's problems with ordinary seamen and Marine Corps privates.

It meant plenty to the boys fighting at the fronts for the Secretary of Navy to drop by for a friendly chat. It would have been easy for Forrestal to stay in Washington, because his official duties never required him to personally appear in naval operations. However, he wanted to be one of the boys.

#### General Marshall

General of the Army George C. Marshall is probably the most bashful official in Washington. Since 1941 he has held only two press conferences and one of them was off

the record. General Marshall never wanted credit, he just wanted to see the job done.

A graduate of VMI where he was an honor student, Marshall is already past retirement age. He has served the longest wartime tour as Chief of Staff.

He made many visits to the combat zones. He kept personal tab on the progress of the atomic bomb development. It was General Marshall who discovered the leadership qualities of Eisenhower and elevated him to a rank equivalent to his own.

Since he was old enough to walk, General Marshall has always wanted to do a job perfectly. His first week in VMI his shoes were not quite shiny enough to pass inspection. However, they were cleaned perfectly and had a dull finish.

The cadet officer told Marshall that his shoes ruined the locks of the entire platoon. Next day Marshall was called out of ranks to explain why he had worn patent leather shoes to drill. There were strict regulations against "nonreg" shoes.

"But, sir," said Cadet Marshall, "these shoes aren't patent leather." The cadet officer grinned and so did Marshall. Those shoes had the best shine VMI had seen for a long, long time.

#### Admiral King

On the third floor of the Navy Building on Constitution Avenue sits one of the busiest and most efficient sailors of American history. Admiral E. J. King, Commander of the United States Fleet and Chief of Naval Operations, accomplished what was termed the impossible in World War II.

His was the idea of mobility and rapid fire administration. No red tape for Admiral King and his slogan was "Get the ships, guns, and men to the front."

Admiral King issued orders dally from his headquarters to the Navy fleets. He kept close track of naval movements and knew where every ship was at any given time.

An honor graduate of the Naval Academy, Admiral King fought for efficiency. At any time during the war when Admiral King asked Congress for something it was delivered. Few men in Washington have commanded the respect of both political parties, business and labor interests, and the American people, as Admiral King during the past 4 years of conflict.

Mr. O'NEAL. Mr. Chairman, I yield 25 minutes to the gentleman from Indiana [Mr. LUDLOW].

#### RECAPTURE OF AN ENORMOUS AMOUNT OF WAR APPROPRIATIONS

Mr. LUDLOW. Mr. Chairman, the bill before the House today is the first great retrenchment measure following World War II.

It reaches out and recaptures the astronomical sum of \$52,453,535,278 in appropriations and contract authorizations. It recovers and returns to the United States Treasury \$48,264,441,439 that had been appropriated in cash, and it cancels \$4,187,903,339 of contract authorizations.

This is a historic measure and, in my opinion, is one of the finest pieces of legislation—if not the finest—that ever emanated from the Appropriations Committee. It is bound to have a far-reaching effect as an incentive to recovery. It will thrill the country and will encourage and reactivate businessmen and employers and the people generally, who will hail it as the first long approach to the planned economy and normalcy which America so much craves.

This bill adds laurels to the brow of Hon. CLARENCE CANNON, chairman of our Appropriations Committee, whose genius

and driving power contributed largely to bring out the facts that made such enormous recoveries possible. Never did Mr. CANNON's rare ability as an examiner of witnesses shine more brightly than it did during the hearings on this bill. The close of each one of the World Wars has brought into play the highest qualities of a great chairman of the Appropriations Committee. It was Representative Swager Sherley, of Kentucky who, as chairman of the then-existing Appropriations Committee, directed the recoveries after the First World War when the recaptures amounted to \$15,411,226,286.38 in appropriations and contract authorizations. The bill presently before us recaptures more than three times that amount, and other rescission bills are to follow.

In his relentless pursuit of dollars available for recapture, Chairman CANNON has had the loyal support of able members of the Deficiencies Subcommittee, regardless of politics. Judge WOODRUM during the hearings and the framing of this bill, was a tower of strength, as he always is. It is a matter of profound regret to the Appropriations Committee that the committee will soon be deprived of his sound counsel and superlative ability. EMMET O'NEAL's great wisdom and far-seeing vision were in evidence all of the way and again it was demonstrated that there is no abler Member of either branch of Congress than Mr. O'NEAL, Mr. SNYDER of Pennsylvania, Mr. RABATT of Michigan, and Mr. JOHNSON of Oklahoma, all made major contributions toward the perfection of this legislation. Much credit is due to the ranking minority member, Mr. TABER, and his associates, Mr. WIGGLESWORTH, Mr. DIRKSEN, and Mr. ENGEL, for the thoroughness with which they delved into the intricacies of the problems presented and their patience in examining witnesses. Many bureau chiefs, as can easily be imagined, were tightfisted in holding on to the dollars that Congress had voted them. It is characteristic of a bureau chief that he regards his own particular activity as the greatest on earth and that he wants to see it continued regardless of rhyme or reason. Many of these department and bureau spenders had to be brought into line by drastic means and the committee's forceps were freely used under Chairman CANNON's direction to extract from them the funds that rightfully belong in the United States Treasury, now that the war is over. Time after time the chairman would say to a witness:

We expect you to re-review your needs and to give us a revised estimate showing additional amounts that you can return to the Treasury.

This vigorous handling of the situation by the subcommittee brought an additional harvest of rescissions. The amount originally recommended by the Budget for rescission was \$49,068,016,928. The additional rescissions that were recommended by the Budget largely through the subcommittee's insistence amounted to \$951,045,583. Our subcommittee then on its own initiative made further cuts totaling \$2,433,270,277.

I think the public will find much to commend in the subcommittee's action



by which it added such large amounts to the recaptures originally proposed by the Budget.

The hearings on the pending bill were long and gruelling, starting on September 5 and ending on October 11. The daily sessions sometimes began as early as 9:30 a. m., and never later than 10, and often ran as late as 7 p. m. The testimony taken fills two large volumes, one of 838 pages and the other of 964 pages; total, 1,802 pages.

The amount of \$52,453,535,278, which this bill recaptures to the United States Treasury, is almost beyond the comprehension of finite minds. One way of looking at it is that it is the equivalent of \$26,868,348 for every year since the birth of Christ and \$73,886 for every day since Christ was born.

Another way to measure the magnitude of the recaptures carried in this bill is to compare them with the statistics of national wealth. The latest census of national wealth, found on page 298 of the Economic Almanac for 1940, estimates the total wealth of the United States to be \$300,750,000,000. The total wealth of 26 States, including all resources and property of all descriptions, is estimated as follows:

Maine.....	\$2,001,000,000
New Hampshire.....	1,218,000,000
Rhode Island.....	2,084,000,000
West Virginia.....	2,934,000,000
South Carolina.....	2,236,000,000
Georgia.....	3,300,000,000
Florida.....	2,389,000,000
Alabama.....	2,932,000,000
Mississippi.....	1,553,000,000
Louisiana.....	2,790,000,000
North Carolina.....	4,611,000,000
Minnesota.....	5,178,000,000
New Mexico.....	774,000,000
Nevada.....	647,000,000
Utah.....	1,231,000,000
Colorado.....	744,000,000
Arizona.....	1,058,000,000
Wyoming.....	882,000,000
Idaho.....	1,359,000,000
Montana.....	2,076,000,000
Delaware.....	778,000,000
Arkansas.....	1,542,000,000
Oregon.....	2,738,000,000
North Dakota.....	1,589,000,000
South Dakota.....	1,682,000,000
Vermont.....	900,000,000
<b>Total.....</b>	<b>51,166,000,000</b>

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from New Jersey.

Mr. CANFIELD. If I am not mistaken, the amount recaptured in this bill exceeds by far the total cost to the United States of World War I.

Mr. LUDLOW. That is true. I thank the gentleman for his contribution. I was coming to that a little later with the exact figures.

So it will be seen that the amount recaptured in this bill is \$1,287,535,278 more than the estimated total wealth of these 26 States, as shown by the last census of national wealth. The estimated total wealth of the wealthiest State of the Union—New York—is shown to be \$51,437,000,000 by the last census, or less than the amount of the rescissions carried in this bill. All of the wealth of the State of Pennsylvania is only about half the

amount of these rescissions. California's wealth is only about one-third of the amount of cash this bill returns to the Federal Treasury.

The magnitude of the rescissions carried in this bill may be further realized when we contemplate the fact that the amount recaptured is more than twice the total amount appropriated to run the Government during 43 years of our national existence beginning in 1873 and ending in 1916. During those 43 years the combined total of all of the annual appropriations was about \$26,170,000,000. Comparing that amount with the \$52,453,535,278 of rescissions carried in this bill reveals convincing evidence, I think, that the members of our subcommittee in framing this bill acted with sincere regard for the interest of the taxpayers.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. I want to express the point of view of some of us back here. It seems to us that for years and years we have had nothing but bills that were taking us into war or bankruptcy or communism. It gives us great pleasure and a sense of deep gratitude to the committee that it should bring in here a bill for which we can delightedly vote.

Mr. LUDLOW. I thank the gentleman very much. I think the pleasure is mutual.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Michigan.

Mr. RABAUT. The bills we have had heretofore took us to victory, too.

Pursuing the comparison a little further I cite the appropriation figures for the First World War. The annual appropriations covering that period were:

1917.....	\$1,628,411,644.81
1918.....	18,881,940,243.79
1919.....	27,065,148,933.02
<b>Total.....</b>	<b>47,575,500,821.62</b>

Subtracting that amount from the cut-back of \$52,453,535,278 carried in this bill we find the recaptures in this measure exceed the cost of World War I by \$4,878,034,456.38.

The rescissions carried in this bill, monumental in size as they are, do not cover all of the recaptures of war appropriations that have been made. The grand total, including this bill, is \$56,810,654,278. Last May, when it appeared that the war was nearing its end, there was a cut-back of \$4,265,000,000 in the Maritime Commission's funds, covering its ship-building program.

Furthermore it should be understood that the amounts carried in this bill do not comprise the last word in the liquidation of the war bills. As matters develop the outstanding appropriations will be constantly under the watchful eye of the Appropriations Committee and will be reviewed from time to time to determine where additional cuts can be made. That there will be further rescissions during the current fiscal year

running into millions—perhaps billions—of dollars is certain.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. REES of Kansas. As I understand it, our national debt at the present moment is approximately \$260,000,000,000. Is that about correct?

Mr. LUDLOW. I think that is about correct.

Mr. REES of Kansas. There seems to be an impression that since we have before us today a rescission of fifty-two billion four hundred and fifty-three million odd dollars that the national debt will be reduced by that amount. How does the gentleman explain that?

Mr. LUDLOW. I will say to the gentleman this bill carries no reduction whatever in the national debt.

Mr. REES of Kansas. In other words, we are not reducing the national debt under this legislation?

Mr. LUDLOW. No; we are not. We are recapturing appropriations that have been made which ultimately would be fused into the national debt, but so far have not been fused into the national debt.

Mr. REES of Kansas. And which do not appear as items in the national debt at the present time?

Mr. LUDLOW. That is correct. None of these items so far has been fused into the national debt.

Mr. RABAUT. The gentleman is correct since an appropriation does not amount to a national debt until the money is spent. Is that not correct?

Mr. LUDLOW. Absolutely; the gentleman is right.

Mr. RABAUT. This bill provides for the recapture of appropriated funds.

Mr. LUDLOW. Both gentlemen are eminently correct.

Before long the regular subcommittees will begin work on the 10 annual regular supply bills for the fiscal year 1947 and the remnants of the war appropriations will come before them for review. It is possible, if not probable, that each annual bill will carry two titles, title I covering the appropriations needed for normal operations in the fiscal year 1947, and title II to cover rescissions of remaining war appropriation balances not needed in the fiscal year 1946.

The liquidation of the vast Military Establishment has been facilitated by wise foresight that was exercised at the beginning of the war which caused the insertion of a cancellation clause in practically every one of the many thousands of war contracts and most of these contracts were stopped dead in their tracks, so to speak, on VJ-day, or immediately thereafter. However, there were some exceptions to these cancellations which I think may properly be noted in explaining the pending bill. The testimony of competent witnesses who appeared before our committee focused largely on two objectives as being worthy of continuing and expanding operations—the air service and research, pure and applied.

Our subcommittee was tremendously interested in the testimony of Gen.



Henry H. Arnold, commanding general of the Army Air Forces which was a revelation as to the importance of air power as an arm of national defense and as a means of protecting the future peace of the world. We were especially impressed when he said—page 585 of the hearings:

With the program that I hope to get from the scientists and with the aid of the experimental research and development facilities that we have in the United States, if I get the money that I ask for, we will always lead the world in aviation, because there is nobody that has the ability that we have to produce new or better equipment.

This bill carries \$395,000,000 for procurement of Army airplanes during the fiscal year 1946 and \$75,384,200 for procurement of Navy airplanes. The future airplane contracts will be for new types of planes for the Army and Navy to insure that there will be no retrogression in this vitally important field of progress.

Between October and June 30, next, the end of the fiscal year, 809 new planes will be delivered, including 69 very heavy bombers, 634 fighters, 88 transports, and 18 communication planes.

Members of Congress returning from trips around the world have reported that they were amazed by the vast assemblies of airplanes which they saw occupying acres upon acres of space here, there, and seemingly everywhere and the question naturally arose, Why should any more planes be built now that the war is over?

The answer, which seemed to be well-grounded, was that air power appears destined to be the backbone of our future defense and that we cannot afford to lag for a moment in creating and perfecting new and better types of airplanes.

Some philosophers have expressed the opinion that the wars of the future will be won in the laboratory and not on the battlefield and our subcommittee gave some credence to this prophecy by inserting in this bill research items amounting to \$385,030,000. This does not include atomic research, which will await the action of Congress and the President.

In January we shall get the regular Budget from the executive department, and it will clarify and assist in charting the course of appropriation operations during the remainder of the fiscal year. At present we are passing through a transitional period and there are many imponderables which make it impossible now to set firm recapture and reconversion figures. The situation necessarily will remain in course of study, and additional rescissions will be effectuated as time and developments will permit. I would like to say in conclusion that the Appropriations Committee is economy conscious; that in my opinion it has made a magnificent start in meeting this delicate and difficult problem. I am sure that in its further efforts to recapture and restore to the people every dollar that can be saved from national emergency appropriations it will carry on in a way that will merit the confidence of the Congress and the country.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. REES of Kansas. Again, I want to commend the gentleman for his splendid informative address on the pending legislation and the subject matter related thereto. The gentleman from Indiana is earnest and diligent and always has present a fund of information on the subject he presents. Let me say further I am impressed with the gentleman's statement to the effect that the Appropriations Committee has become economy conscious. I commend the gentleman from Indiana, who has at all times been economy conscious. There have been many times when, in my judgment, too many Members of this body, including some of the members of the gentleman's committee, were not as economy-minded and considerate of the taxpayers of this country as they should be. The distinguished gentleman who now has the floor is not in that category. It is high time that this Congress really become economy-minded. It would have been better if the Congress had been thinking about that a long time ago.

Mr. LUDLOW. I thank the gentleman for his statement and for his kind personal reference. I am confident that he may expect much from the Appropriations Committee in the future.

Mr. Chairman, I yield back the remainder of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, probably the greatest danger confronting the American Nation at this time is the danger of savage inflation, with Nation-wide suffering for all. In my opinion, we have been moving in this direction steadily for years. It is difficult now to see how in the long run the Nation is to escape deflation, repudiation, or some form of severe inflation. Attempts to stop waste and extravagance in recent years have been a good deal like trying to hold back Niagara Falls.

We have today a so-called national debt approaching \$300,000,000,000. We have in addition to that a contingent national debt composed of guaranteed obligations, insurance, and other secondary liabilities amounting to more than \$300,000,000,000. We have an expenditure estimated for the present fiscal year by the Secretary of the Treasury of around \$66,000,000,000 with a deficit of some \$30,000,000,000, a deficit equivalent to about \$82,000,000 per day, although for 10½ of the 12 months of this fiscal year this country will have been at peace.

We have on the Federal pay roll, still, over 2,900,000 persons.

We have a postwar Navy now under consideration which will probably cost, if approved, on the present basis, between \$2,600,000,000 and \$3,000,000,000 a year. We have a postwar Army under consideration which may well cost an equivalent sum.

There are enormous demands made upon us both at home and abroad.

And so, Mr. Chairman, it is a source of especial satisfaction to be able to stand on this floor today and sponsor the bill which is now before us providing as it does for a rescission of appropriations and of contract authorizations to the extent of \$52,400,000,000, about

\$3,400,000,000 in excess of the Budget recommendations.

I believe this bill constitutes a real step in the right direction. I hope it will receive the unanimous support of this House.

I want to emphasize, however, that in my judgment this bill does not begin to do a thorough job.

According to the Budget figures, there were available at the beginning of this fiscal year, in terms of appropriations and contract authorizations, no less than \$146,400,000,000. Subtracting from that figure the \$52,400,000,000 rescinded in this bill, we have a balance of \$94,000,000,000 available for expenditure in this fiscal year in respect to items carried in this bill and these items only.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Illinois.

Mr. VURSELL. Can the gentleman tell the Members of the House why if this stops short by \$94,000,000,000 we could not go further at this time in recapturing a greater sum?

Mr. WIGGLESWORTH. I may say to the gentleman from Illinois that I do not say that this bill stops \$94,000,000,000 short of where it ought to. I think it is obvious however that it stops far short of a thorough job.

The \$94,000,000,000 may be roughly divided into three parts: First, expenditures up to the end of July 1945 which were very large; second, estimated expenditures for the last 11 months of the present fiscal year which are subject to revision in terms of the rate of demobilization and other unknown factors; and third, obligations outstanding as of July 31, last, subject to cancellation in many cases to an extent which has not been determined by the agencies concerned.

In other words, up to the present time we have not got the necessary information from the agencies concerned to do an intelligent and thorough job of rescission.

Many figures were admittedly hastily prepared. Further cancellations of outstanding obligations are certain. Further reduction in estimated expenditures for the balance of the year is imperative. We should have further and very large rescissions. It is a job which will primarily fall upon the shoulders of each and every one of the subcommittees of the Appropriations Committee as those committees consider appropriations submitted for the fiscal year 1947.

#### WAR DEPARTMENT

Mr. Chairman, the largest item of rescission, of course, is in respect to the War Department, where there is a rescission of \$30,900,000,000, or about \$2,200,000,000 above the Budget recommendation.

The Budget figure indicates a total of \$63,800,000,000 available at the start of this fiscal year. If we deduct the \$30,900,000,000 that it is proposed to rescind in this bill, there will be a balance of \$33,000,000,000, of which roughly \$13,000,000,000 is carried against outstanding obligations and liquidation and termination costs, leaving about \$20,000,000,-



000 for other expenditures during the current fiscal year.

The principal items of rescission are indicated in the report.

As has been pointed out, the Army, from an over-all peak of 8,291,000 men, with some 5,455,000 overseas, has been reduced to about 8,000,000. It is anticipated that this number will be further reduced by 6,000,000, or to about 1,950,000 as of the end of the fiscal year, 320,000 of this total being in the pipe line on the way to discharge.

The committee has laid great stress on the vital importance of speeding up demobilization not only by the Army but by the Navy, the Marine Corps, and Coast Guard—by all the armed forces. It is encouraging to see the increased speed in demobilization which has developed since the start of these hearings, an increase insofar as the Army is concerned which is reflected in a figure of 48,000 understood to have been demobilized recently in a single day.

#### NAVY DEPARTMENT

The next largest item of rescission is, of course, in respect to the Navy Department where there is a rescission of \$17,600,000,000, or about \$800,000,000 above the Budget recommendation.

In this instance the Budget figures indicate about \$75,000,000,000 available at the start of the fiscal year. Deducting \$17,600,000,000 leaves a balance of \$57,400,000,000, which is broken down according to the Budget in three parts: \$37,000,000,000 spent up to July 31, 1945; about \$9,000,000,000 for outstanding obligations, liquidation, and termination costs; and a balance of something under \$12,000,000,000 for operation during the balance of the fiscal year.

The principal rescissions are indicated in the report.

The Navy personnel has dropped from about 4,000,000 to around 3,000,000 at the present time. The Navy expects to reach a figure of 1,077,000 by the end of the fiscal year and to go down as of September 1, 1946, a little less than a year hence, to 500,000 enlisted men and 58,000 officers.

The postwar Navy contemplated in terms of ships amounts to 1,079 in number; 30 percent active, 10 percent in a so-called ready reserve, and 60 percent which would not be in commission.

The rate of demobilization by the Navy has also been increased of late and is understood to have been as high as 9,800 in a single day.

#### OTHER AGENCIES

Insofar as title I is concerned, referring to the other agencies in this bill, there is proposed a rescission of \$3,800,000,000, about \$328,000,000 more than the Budget recommendation.

Subtracting this sum from \$16,600,000,000 available at the start of the year leaves about \$12,700,000,000 for operations during the year, about \$1,100,000,000 having been spent up to July 31, 1945, about \$6,900,000,000 being reserved for outstanding obligations, and about \$5,300,000,000 being left for expenditures during the year.

The various items of rescission appear in tabular form in the report.

The largest item has already been referred to by the gentleman from New York [Mr. TABER]. I refer to the item in respect to lend-lease where rescission of \$1,739,000,000 is proposed, leaving, apparently, a balance available for the year of about \$7,383,000,000. Of this balance, about \$399,000,000 was spent up to July 1945, about \$5,104,000,000 is reserved for outstanding obligations, and about \$1,879,000,000 is held mainly for supplies in the so-called pipe line. No satisfactory information is available as to how much of the \$5,104,000,000 can be canceled. No definite word has been received as to how much of the \$1,879,000,000 will be canceled and how much will be acquired by foreign governments for cash or for credit on a basis of repayment over a period of 30 years with annual interest at the rate of 2½ percent.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself five additional minutes.

I call attention, Mr. Chairman, to various transfers of war agencies referred to in this bill.

The Foreign Economic Administration is to be divided between the State Department, the Commerce Department, and the RFC. The Office of Economic Stabilization is to be transferred to the Office of War Mobilization and Reconstruction. The Office of Strategic Services is to go about one-eighth to the State Department and about seven-eighths to the War Department. The Office of Inter-American Affairs is to go about two-thirds to the State Department, about one-third of its funds being retained to carry out existing programs in other American countries. The OWI is to go to the extent of about \$24,000,000 to the State Department, and to the extent of \$343,000 to the Bureau of the Budget.

The saving, if any, from these transfers remains to be seen.

The OES transfer to OWMR is in accordance with a recommendation which I personally made on the floor of this House last June. It is to be hoped that the transfer of the functions will not involve any increase in the personnel of OWMR.

The transfers of OIAA and OWI to the State Department are also in accordance with recommendations which I made on the floor of the House last June.

Attention is invited to the fact that no less than \$53,000,000 was provided this year for OIAA, OWI, and Cultural Relations under the State Department. It is to be hoped, now that the war is over, that we shall have a compact, efficient, economical unit in the State Department rather than what we have heretofore had under war conditions.

It is further to be hoped that the most careful screening policy will be pursued by the Department in respect to the personnel of OWI which is to be taken over by the Department. It would be most unfortunate if some of the personnel whose loyalty has been subject to chal-

lenge should be included at this time on the rolls of the State Department.

Mr. Chairman, no rescission bill can eliminate waste of the people's money in the past. It is to be hoped, however, that the attitude of the Congress in respect to this bill may have its effect in the future.

The gentleman from New York [Mr. TABER] has referred to some outstanding examples of waste—other examples of waste under the Navy Department are referred to in these hearings.

First. I have in mind particularly the contract with the Consolidated Vultee Aircraft Corp., plant at Allentown, Pa., understood to be largely owned by Victor Emanuel interests. The situation is presented by the following figures:

Planes and spare parts ordered in 1943: 1,100 at \$170,000,000; in 1945, 600 at \$73,000,000, making a total of 1,700 at \$243,000,000, or \$143,000 per plane.

Planes delivered to September 1945—a year or more behind schedule: 180 at \$90,000,000, or \$500,000 per plane.

Facilities: \$5,300,000, or \$526,000 per plane if included.

No plane delivered was used overseas.

Contract termination fee of \$10,000,000 said to be under reconsideration.

Second. I have in mind also a contract with the Brewster Aeronautical Corp., previously considered by the Naval Affairs Committee and the Truman committee in respect to which the following figures are applicable:

Planes and spare parts ordered in 1940: 203 at \$15,158,000, or \$74,660 per plane.

Planes delivered—1 year behind schedule: 140 at \$30,000,000, or \$214,200 per plane.

Double the money for 70 percent of the planes.

Third. I have in mind also a second contract with the Brewster Aeronautical Corp., and the following figures:

Planes and spare parts ordered 1941-43: 1,508 at \$148,623,000, or \$70,500 per plane.

Planes delivered about a year behind schedule: 860 at \$96,500,000, or \$112,000 per plane.

Facilities: \$9,500,000, or \$123,000 per plane, if included.

Fourth. I have in mind also, from a contract with the Edward G. Budd Manufacturing Co., also previously considered by the Naval Affairs Committee, the following figures:

Planes and spare parts ordered 1942: 800 at \$113,229,000, or \$100,805 per plane.

Planes delivered—1 year behind schedule: 17 at \$59,000,000, or \$3,470,000 per plane.

Facilities: \$20,997,000, or approximately \$4,706,000 per plane, if included.

As a further indication of waste I include at this point in the RECORD an additional table in the merchant marine field. I do so because the appropriations of both the Maritime Commission and the War Shipping Administration are subject to rescission in this bill. The table has been prepared from figures all of which have been supplied by the Maritime Commission, the War Shipping Administration, or the General Accounting Office.



Name of vessel	Year built	Year acquired by owner	Total cost to owner	Book value as provided by G. O. No. 24 of Maritime Commission—investment value prior to enhancement caused by war	Admiral Land's estimated value as of Dec. 31, 1938, being world market value prior to enhancement caused by war	Amount of insurance carried on vessel by War Shipping Administration with Government funds	Net profits, Red Sea voyage	Remarks
<i>Arizpa</i> .....	1920 <sup>1</sup>	1931	\$118,401	\$38,230	\$91,168	\$704,320		
<i>Gateway City</i> .....	1920 <sup>1</sup>	1931	112,959	35,715	91,084	115,111	\$194,833	Maritime Commission under sec. 510 via trade-in has allowed owners \$686,900 for this vessel.
<i>West Kyska</i> .....	1918 <sup>1</sup>	1931	108,329	50,170	93,096	636,000	351,339	
<i>Sun Dance</i> .....	1919	1929	27,314	33,548	84,427	600,000		
<i>West Ira</i> .....	1919 <sup>1</sup>	1940	143,699	48,560	95,259	675,356	283,362	
<i>Emergency Aid</i> .....	1920 <sup>1</sup>	1940	119,289	35,910	89,424	660,300		
<i>West Camorga</i> .....	1920 <sup>1</sup>	1940	59,693	45,682	97,321	653,194		
<i>Cranford</i> .....	1920 <sup>1</sup>	1933	54,944	50,229	102,218	738,075	387,342	
<i>City of Baltimore</i> .....	1918 <sup>1</sup>	1930		52,658	137,960			Navy 1940 paid \$1,420,000.
<i>Tulsa</i> .....	1919 <sup>1</sup>	1929	95,687	38,085	85,232	703,575		
<i>City of Alma</i> .....	1920 <sup>1</sup>	1935	81,570	42,683	91,319			Maritime Commission under sec. 510 via trade-in has allowed owners \$686,900 for this vessel.
<i>Liberty Glo</i> .....	1919 <sup>1</sup>	1928	26,244	42,204	83,488	600,000	217,708	
<i>Point Bonita</i> .....	1919	1931	85,750	26,256	80,185	405,000	241,378	
<i>President Van Buren</i> .....	1921 <sup>1</sup>	1924	577,279	102,937	172,499	1,263,960		
<i>American Robin</i> .....	1919 <sup>1</sup>	1928	27,998	34,715	86,724	600,000	228,414	
<i>Wildwood</i> .....	1919 <sup>1</sup>	1928	26,314	35,864	84,561	600,000		
<i>City of Joliet</i> .....	1920 <sup>1</sup>	1933	56,072	50,835	103,408	267,000		
<i>Cardonia</i> .....	1920 <sup>1</sup>	1933	70,609	34,624	85,584	495,000		
<i>Aquarius</i> .....	1920 <sup>1</sup>	1933	49,182	40,778	102,184	767,920	379,439	
<i>City of Omaha</i> .....	1920 <sup>1</sup>	1933	54,949	50,496	102,687	238,075		
<i>West Irmo</i> .....	1919 <sup>1</sup>	1928		47,305	96,835	700,000		
<i>Liberator</i> .....	1918	1933	66,261	52,221	129,449	878,475		
<i>West Quechee</i> .....	1919 <sup>1</sup>	1933	53,662	48,195	95,762			
<i>Stella Lykes</i> .....	1919	1926	57,736	22,463	43,748	300,000		
<i>Ruth Lykes</i> .....	1919	1927	98,605	19,607	43,798	303,750		
<i>Nishmaha</i> .....	1919 <sup>1</sup>	1933	53,483	48,522	101,882	705,900		
<i>Ffingham</i> .....	1919 <sup>1</sup>	1933	49,633	49,171	107,667	727,050	331,611	
<i>Tillie Lykes</i> .....	1920	1922	94,668	22,456	43,128	310,875		
<i>Hybert</i> .....	1920 <sup>1</sup>	1933	55,020	50,133	102,620	279,075		
<i>Edge Hill</i> .....	1919 <sup>1</sup>	1933	66,642	50,953	115,163	522,875		
<i>West Madaket</i> .....	1918 <sup>1</sup>	1931	84,461	47,591	93,314	685,840		
<i>President Monroe</i> .....	1920 <sup>1</sup>	1924	621,634	102,937	172,499	1,263,960		
<i>President Hayes</i> .....	1920 <sup>1</sup>	1924	576,274	102,937	172,499	1,263,960		
<i>Delmundo</i> .....	1919 <sup>1</sup>	1929		35,870	82,409	684,900		
<i>Delmorte</i> .....	1919 <sup>1</sup>	1929		45,909	81,590	684,900		
<i>Delsud</i> .....	1919 <sup>1</sup>	1929		39,582	81,590	684,900		
<i>American Banker</i> .....	1920 <sup>1</sup>	1931	120,700	60,000	121,681	275,386		
<i>American Trader</i> .....	1920 <sup>1</sup>	1931	120,700	62,150	121,681	363,410		
<i>Scan York</i> .....	1919 <sup>1</sup>	1928		45,834	84,554	464,100		
<i>Scan States</i> .....	1919 <sup>1</sup>	1928		48,491	84,554	405,000		
<i>Scan Penn</i> .....	1919 <sup>1</sup>	1927		48,635	84,375	405,000		
<i>City of Newport News</i> .....	1918 <sup>1</sup>	1930		67,266	137,960			Navy 1940 paid \$1,420,000. <sup>1</sup>
<i>City of Norfolk</i> .....	1918 <sup>1</sup>	1930		67,266	137,960			Do. <sup>1</sup>
<i>Schoharie</i> .....	1919 <sup>1</sup>	1928	26,265	40,934	83,354	680,000		
<i>Fluor Spar</i> .....	1919 <sup>1</sup>	1928	26,226	40,934	84,762	640,000		
<i>Lafayette, ex Dryden</i> .....	1919	1932	59,597	44,204	103,324	843,000	296,705	Maritime Commission under sec. 510 via trade-in has allowed owners \$676,000 for this vessel.
<i>Cripple Creek</i> .....	1919 <sup>1</sup>	1933	49,932	48,543	105,974	776,800		
<i>Nenaha</i> .....	1920 <sup>1</sup>	1933	55,695	50,238	109,009	738,075		
<i>Delvalle</i> .....	1919 <sup>1</sup>	1929		35,094	82,409	555,000		
<i>Schickshinny</i> .....	1919 <sup>1</sup>	1928	97,005	45,418	85,567	703,575		
<i>Chester Valley</i> .....	1919 <sup>1</sup>	1933	41,924	37,518	85,148	601,025		
<i>Syros</i> .....	1920 <sup>1</sup>		61,312	50,028	103,811	398,075		
<i>Zaremba</i> .....	1919 <sup>1</sup>	1928		46,486	83,118	572,400		
<i>Cathlamet</i> .....	1919 <sup>1</sup>	1928		46,063	98,411	663,900		
<i>West Kobar</i> .....	1920 <sup>1</sup>	1928		46,161	94,236	644,325		
<i>Point Judith</i> .....	1919	1934	120,541	26,114	80,654	810,900		
<i>Maiden Creek</i> .....	1919 <sup>1</sup>	1931		47,040	84,360	817,688		
<i>Hastings</i> .....	1920 <sup>1</sup>	1931		42,205	90,564	821,793		
<i>Afoundria</i> .....	1919 <sup>1</sup>	1931		35,374	84,008	599,925		
<i>Pankraft</i> .....	1920 <sup>1</sup>	1928	101,175	47,491	94,639	603,750	350,111	
<i>Mary Luckenbach, ex Black Falcon</i> .....	1919 <sup>1</sup>	1931		52,870	84,662	679,745	197,111	
<i>Peerett, now Jean LaFitte</i> .....	1919 <sup>1</sup>	1928	93,660	47,375		535,600	378,230	
<i>Grays Harbor</i> .....	1919 <sup>1</sup>	1928	106,862	51,520		757,500	306,529	
<i>Kahuku, ex Shelton</i> .....	1920 <sup>1</sup>	1928	103,015	49,954		685,500		
<i>Bellingham</i> .....	1920 <sup>1</sup>	1928	103,370	48,970	89,625	156,394		
<i>Pennsylvania</i> .....	1920 <sup>1</sup>	1928	101,175	47,003	93,817	660,000		
<i>Tacoma</i> .....	1919 <sup>1</sup>	1928	107,374	49,413		761,250		
<i>Seattle</i> .....	1919 <sup>1</sup>	1928	103,015	49,954		685,500		
<i>Winoa ex Erarch</i> .....	1920 <sup>1</sup>	1928	72,800	46,052	103,911	727,500		
<i>Agwidate</i> .....	1918			33,900	79,886	694,744		
<i>Hollywood</i> .....	1920 <sup>1</sup>	1926	94,632	47,713	92,190	652,751		
<i>Lafcom</i> .....	1919 <sup>1</sup>	1930	111,592	39,021	84,310			
<i>Topa Topa</i> .....	1920 <sup>1</sup>	1931		48,389	89,809	840,866		
<i>Antinous</i> .....	1920 <sup>1</sup>	1931		40,775	54,999	318,500	542,618	
<i>Wester Queen</i> .....	1918 <sup>1</sup>	1933	50,325	76,174	98,143	646,050		
<i>Sahale</i> .....	1919 <sup>1</sup>	1930	111,625	49,437	84,310	140,925		
<i>Carlton</i> .....	1920 <sup>1</sup>	1930	112,158	34,625	85,970	120,000		
<i>Kenowis</i> .....	1920 <sup>1</sup>	1931		35,492	82,733	235,663		Maritime Commission under sec. 510 via trade-in has allowed owners \$686,700 for this vessel.
<i>Ex Brook, now Panama City</i> .....	1920 <sup>1</sup>	1925	57,502	41,519	81,258	575,025		Maritime Commission under sec. 510 via trade-in has allowed owners \$548,000 for this vessel.
<i>Yaka</i> .....	1920 <sup>1</sup>	1931	108,798	36,834	91,084	660,300		
<i>Black Eagle</i> .....	1920 <sup>1</sup>	1931		34,968	84,846	715,500		
<i>Black Gull</i> .....	1919 <sup>1</sup>	1931		37,050	84,320	653,140		
<i>Black Hawk</i> .....	1919 <sup>1</sup>	1931		48,096	83,639	719,730		
<i>West Nilus</i> .....	1920 <sup>1</sup>	1926	54,172	47,048	92,123	642,975		
<i>Alabaman</i> .....	1921	1936	291,873	139,442	117,443	830,400	387,567	
<i>Ataskan</i> .....	1918	1928	525,707	71,281	89,943	879,750	319,027	
<i>Arizonian</i> .....	1920	1929	317,119	93,820	97,506	870,000		
<i>Carollinian</i> .....	1921	1936	313,661	146,486	117,326	830,400		

<sup>1</sup> Built by the Government.



Name of vessel	Year built	Year acquired by owner	Total cost to owner	Book value as provided by G. O. No. 24 of Maritime Commission—investment value prior to enhancement caused by war	Admiral Land's estimated value as of Dec. 31, 1938, being world market value prior to enhancement caused by war	Amount of insurance carried on vessel by War Shipping Administration with Government funds	Net profits, Red Sea voyage	Remarks
<i>Coloradan</i> .....	1920	1936	\$146,430	\$93,462	\$109,948	\$802,500		
<i>Floridian</i> .....	1921	1936	327,079	142,069	117,342	830,400		
<i>Georgian</i> .....	1920	1926	528,874	101,180	97,674	870,000		
<i>Hawaiian</i> .....	1919	1925	416,056	47,408	81,627	807,500	\$331,631	
<i>Honolulu</i> .....	1921	1937	84,893	45,236	125,643	877,600		
<i>Illinois</i> .....	1918	1936	447,055	54,586	108,539	802,500		
<i>Kansas</i> .....	1918	1928	420,018	37,022	81,660	807,500	291,676	
<i>Nebraska</i> .....	1912	1928	391,670	17,825	110,199	1,019,320		
<i>Navadan</i> .....	1912	1927	325,993	15,400	79,380	806,800		
<i>Puerto Rican</i> .....	1919	1937	60,692	26,307	101,882	753,600		
<i>Utahan</i> .....	1919	1937	73,877	32,382	117,898	824,000		

I might add in this connection that the figures submitted also indicate that the steamship *City of Alma*, valued by Admiral Land, Chairman of the Maritime Commission, on December 31, 1938, at \$91,319, was purchased by the Maritime Commission on December 6, 1942, for \$660,300; that the steamship *Malany*, similarly valued on the same date at \$66,612, was subsequently purchased by the Maritime Commission on February 26, 1942, for \$400,000; that the steamship *Nana*, similarly valued on the same date at \$55,040, was purchased by the Maritime Commission on December 31, 1941, for \$352,669; and that the steamship *El Capitan*, similarly valued on the same date at \$87,462, was purchased by the Maritime Commission on June 26, 1941, for \$486,595—a total purchase price of \$1,999,564, as compared with valuations on December 31, 1938, supplied by Admiral Land, of \$300,442.

I invite particular attention to the table which I have just inserted as a part of my remarks and to the wide discrepancies between insurance valuations and purchase prices as compared with valuations placed on the same vessels by the Commission itself, none can deny that the delegation by the Congress of broad discretionary power is susceptible of abuse.

Attention is also invited to the fact that as of July 1, 1945, the Maritime Commission had recovered by renegotiation only \$75,554,692; that profits allowed on sales after renegotiation have run from 5.35 percent to 10.48 percent; and that all bare-boat charters, the bare-boat element in all time charters, and all purchases of vessels, whether voluntary or by requisition, have been exempted entirely from renegotiation.

Mr. Chairman, I hope this bill will be passed unanimously. I hope it will prove to be the first in a series of rescissions. I am confident that its adoption will be heartening to the Nation.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman referred to the exemptions which the War Shipping Administration or Maritime Commission had obtained for certain of their contracts. The gentleman will recall that during the hearings on the appropriation bill for war agencies last spring there was considerable criticism of that and there was a suggestion that possibly they were not going

to take a great deal of advantage of the exemption and might even modify that regulation. Was any testimony given during the hearings on this bill in connection with that?

Mr. WIGGLESWORTH. I do not think that any added light was thrown on the picture. It was simply reemphasized that the exemption had been permitted by the War Contracts Price Adjustment Board.

Mr. CASE of South Dakota. On which the War Shipping Administration itself was represented through a member from the Maritime Commission?

Mr. WIGGLESWORTH. Yes; that is true.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RABAUT. Mr. Chairman, I yield myself such time as I desire.

Mr. Chairman, to return USES at this time is wrong.

Mr. Chairman, I am very greatly disturbed by the manner in which we are handling an issue as important as this. I know that it is a matter of record that this House has expressed itself in favor of a return of the United States Employment Service to the States shortly after the end of the emergency. I wonder whether anybody is willing to state publicly at this time that the emergency is at an end, that two to three million workers laid off from war industries represent no problem, that the 6,000,000 veterans who will be arriving at east and west coast ports during the next 8 months present no emergency situation—that all these citizens will shift smoothly from wartime activity to peacetime activity. I, for one, am not prepared to make any such ridiculous assertions. I believe this problem is the gravest one that this body will have to face and resolve.

It is, therefore, totally inconceivable to me that we are willing to settle an issue such as the return of the United States Employment Service to State hands with such dispatch and without the fullest consideration of the implications of that move. The President of the United States, whose judgment and integrity is held in the highest esteem, has specifically requested Congress to make no such move until at least June 30, 1947. Yet, because of the selfish interests of a small group of State unemployment-compensation administrators we are willing to throw over and totally disregard the advice and counsel and this specific request of the President.

If any of you have been back in your districts lately, you must have been told by your constituents of the manner in which claimants for unemployment benefits are being bludgeoned into accepting jobs far beneath their present skills and their previous earnings. Here we have a situation in which workers were encouraged to leave their peacetime jobs and their peacetime security for war work. They were willing to gamble on their future security by assurances that the Government would see to it that they would be given the best opportunities to reestablish themselves in peacetime work. They took training for work for which they were unskilled and developed new skills. Yet at the conclusion of their wartime work they are now told that State unemployment compensation laws require that they forget their wartime skills, that they go back to their old work, and regardless of their cost of living and the debts they may have acquired, must accept the jobs offered by employers who during the war years made no effort to increase their wages or improve their working conditions. Go into any public employment office today and you will find that the jobs offered for the most part come from those employers and those industries which offer the lowest wages. They were the industries which lost workers because of their unwillingness to meet prevailing conditions. And now we are willing to further subsidize these industries by putting a premium on their jobs and denying unemployment benefits to workers who refuse to accept these jobs.

This, gentlemen, is the basic issue and explains completely the motive underlying this organized drive to return the Employment Service to the States at this time. Let us make no bones about it. We are witnessing today an effort which will divide job seekers into three groups. One group will consist of job seekers who are claimants for unemployment compensation. For that group you will have one set of standards as to what is a suitable job as the State unemployment compensation administrators choose to define a suitable job. Since their interests lie primarily in preserving unemployment compensation funds, you can expect nothing but a very restrictive definition which tells a man to go hungry if he does not take a job which happens to be on file with the United States Employment Service. The second group will consist of the job seeker who is not a claimant for benefits. This group will be made up of



the new entrants into the labor market—young men and young women, wives of servicemen. Since this group is not claiming unemployment benefits, even the State unemployment compensation people are willing to admit that their refusal to take the jobs offered are perfectly reasonable—that nobody else in the same situation would want these jobs until he had looked around, offered his services to the employers who offer work opportunities more comparable to their skills and ambitions. This is the privilege of any American citizen. Why, then, must we have one set of standards for a decent, suitable job for an unemployed worker who happens to be claimant for unemployment benefits and another standard for the individual who is claiming benefits? Are we willing to admit that the American worker prefers idleness to decent work at decent wages? Whether we realize it or not, that is exactly what we are saying when we support this move to return the United States Employment Service to the States. Furthermore, if you do make this admission, then you are admitting that the payment of benefits or the nonpayment of benefits is more important than an efficient and effective job-placement agency.

Recall the prewar experience when the Employment Service operated under the Social Security Board and when the Employment Service was put under the State unemployment compensation administrators. From the first day this plan went into effect you had a complete subordination of job finding and job placement and job counseling to the work involved in the collection of unemployment compensation taxes and the payment of unemployment benefits. It is inevitable that it will occur again—and this at the very time when the placement of workers in jobs is without doubt the most important problem facing this country. I want to add a third group which is being set apart from the rest of the citizens of this country by this action and that is the veterans' group. The Congress, in deep appreciation of the sacrifices of the veteran and in recognition of his status when he returns to civilian life, enacted the Servicemen's Readjustment Act of 1944. We provided liberal allowances and established standards for the placement of veterans and payment of allowances. We guaranteed fair treatment by making the United States Employment Service responsible for registering, advising, counseling, and placement of veterans. All that we ask of the veteran is that he continue to report to a public employment office and that he be ready to work and available for suitable work. We did not say that the veteran should be compelled to take any job that pays as much as his allowance as do so many State unemployment compensation laws. The veteran is being treated with decency and with respect. He is being offered work at his highest skill and is not being told that even though he came out of the Army or the Navy or the Marine Corps a first-class machinist he must take a job as a machanic's helper in a alley garage simply because he is qualified to do that kind of work. I think the United States Employ-

ment Service knows when a job is suitable and it will make referrals to that job when a worker is qualified. I cannot accept a situation in which we have one set of standards for the unemployed veteran, one for the unemployed job seeker, and one for the unemployed job seeker who is claiming unemployment benefits.

This issue is of such tremendous importance that I strongly object to dispatching it by the amendment to H. R. 4407. I think that in the interests of fairness and decency and out of respect to the millions of men and women who served in our armed forces and in our war industries, this House should entertain proper legislation which would establish appropriate standards for administration of an employment service. That legislation should be given appropriate hearings and the testimony of the witnesses should be used in guiding this body. I am utterly opposed to the return of the United States Employment Service without the necessary legislation. I hope that most of my colleagues will share my views.

Mr. RABAUT. Mr. Chairman, I yield the balance of the time to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, in view of what appears to be some misunderstanding about the provision of this bill relative to the transfer of the Employment Service to the States, it has been suggested as chairman of the subcommittee handling the appropriations for this agency I should make some statement showing what has been the history of the agency since its transfer from the States to the Federal Government. We all understand that on December 19, 1941, the President of the United States addressed a communication to the Governors of the several States suggesting that under the powers vested in him by the declaration of war and the Manpower Act, the Employment Service could be more efficient in securing increased production for the war, particularly war materials, if they would agree to the transfer of this agency to the Federal Government during the war. On December 23, 1941, an Executive order was issued providing for the transfer, and on January 1, 1942, the transfer was effected. The Federal Government then began the administration of the Employment Service.

In the late spring of 1942, many of the State Directors of the Unemployment Compensation activities in the several States expressed apprehension that the United States Employment Service was endeavoring to appropriate the functions of the unemployment compensation agencies, and should it succeed, then the administration of the Unemployment Compensation Commission, as well as the United States Employment Service, would all become an agency of the Federal Government. Many such complaints were submitted to the Subcommittee on Appropriations.

The committee decided to hold hearings. Those hearings were conducted, and were quite voluminous. The records show there were approximately 100 pages of printed matter. We had representatives of the States, from Texas, Wisconsin, Minnesota, Ohio, and a number

of other States. Some of the Governors sent letters complaining about the encroachment. The testimony was gone into at length. The Chairman of the Federal Security Agency and the Chairman of the Social Security Board were asked to come in and testify. According to the evidence, it was definitely declared, definitely decided, there was no intention on the part of anyone to appropriate the functions of the Unemployment Compensation Commission, and that the Federal Employment Service would be returned to the States immediately after the war.

This is a matter of record. If you will turn to pages 809, 810, 811, and 812 of the hearings on the appropriations for 1943, you will find it was the understanding of the Chairman of the Social Security Board that immediately upon the termination of the war this agency would be returned to the States. In fact, it was suggested that it would automatically go back to the States if funds were not appropriated to continue the work as a Federal agency.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. HOOK. Will the gentleman tell me whether or not this Congress has declared the termination of the war?

Mr. HARE. I think this bill itself is evidence that the Congress feels that the war is over, because the bill now before us undertakes to recapture \$52,000,000, 000 formerly appropriated for the prosecution of the war. The recapture is upon the theory the war is over. The telegram of the President to the Governors did not contemplate the period of time to elapse following the war before the agency would be returned to the States. In fact, he asked to have this agency transferred to the Federal Government solely to increase the production of materials for the prosecution of the war. Then when the agency was no longer needed to assist in the production of materials for the prosecution of the war, I think, under the wording of the telegram addressed to the Governors, the agency would revert immediately to the States, unless the Congress should in the meantime enact legislation to the contrary.

Mr. HOOK. Will the gentleman yield further?

Mr. HARE. I yield.

Mr. HOOK. The act was passed in June 1933, known as the Wagner-Peyser Act. If I am not mistaken, section 5 (a) of that act provides that the States shall not be allowed to function or operate until they match the funds of the Federal Government; in other words, that no funds of the Federal Government can be apportioned to any State until the State puts up a like fund; yet here we propose to turn back \$30,000,000 without the States putting up one dime. Does the gentleman believe that is in accordance with the act or that it is proper?

Mr. HARE. I assume that if it is returned to the States and the States undertake to administer the law they will administer it in the same way they were administering the law at the time they transferred the agency over to the Federal Government. However, I did not



rise to discuss the wisdom of the establishment of the employment service or the Unemployment Compensation Service or whether it should be placed with the States or left with the Federal Government. I am undertaking only to show the action of the committee in handling the appropriations for these agencies for the last 4 or 5 years. It has been the definite understanding of the committee that when the war was over, when hostilities ceased, when it was no longer necessary to manufacture materials of war, this USES would go back to the States, and the committee incorporated this understanding in its report accompanying the appropriation bill of 1943, and the Congress formally adopted that report and thereby ratified the understanding. In fact, we not only inserted this understanding in the report, but we incorporated it in the bill making appropriations for the unemployment service for 1943, and have been incorporating it in appropriation bills from that day to this. Congress has formally approved the action of this committee several times. I am not here to say whether the committee acted wisely or not but I am here to say what the committee did; and I am here to say that the House by formal action approved the action of the subcommittee, approved the action of the full Committee on Appropriations, not once, not twice, but three times within the past 3 years. There should, therefore, be no misunderstanding, misapprehension, or confusion on the part of any Member about the transfer of this agency back to the States.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. HARE. Yes; I yield.

Mr. HOOK. I appreciate that explanation. Could the gentleman inform me as to whether it was the intention of the subcommittee that when it was transferred back to the States it should be transferred in accordance with the Wagner-Peyser Act?

Mr. HARE. Certainly, it was to be transferred back to where it came from; and I believe that is exactly what the President meant when he indicated the agency would be returned following the then emergency.

Mr. HOOK. And in accordance with the provisions of the act.

Mr. HARE. Yes, and the policy prevailing at the time the transfer was made.

Mr. HOOK. Including a matching of the funds.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. KEEFE. In response to the question asked by the gentleman from Michigan, it is apparent he is laboring under some misapprehension as to the operation of this program.

It should be borne in mind, it seems to me, that in 1935, effective in 1936, the

Congress passed the Social Security Act. The Wagner-Peyser Act was passed in 1933. Under title III of the Social Security Act we provided for a system of unemployment compensation and if the gentleman will look back into the RECORD he will find that the Comptroller General of the United States held that the relationship between unemployment compensation and the administration of the Employment Service was so integrate that from that time on practically all the funds to provide for the administration of the unemployment compensation and the Employment Service were derived from title III funds which were earmarked funds for the administration of unemployment compensation. So this talk about the original enactment of the Wagner-Peyser Act, which provided authority originally for \$4,000,000 of matching funds, has been out of the picture ever since 1936. It has never operated in that way, and if the gentleman will look further he will see that under the provisions of the First Reorganization Act the President brought these two agencies together as Congress intended and put the administration of the Wagner-Peyser Act, which was then in the Labor Department, in the Federal Security Agency, and brought the Social Security Agency in under one tent, so to speak, under the direction of the Director of the Social Security Agency. There should not be a lot of confusion about this proposition. I do not want to take the gentleman's time, but that is a complete answer to the gentleman from Michigan.

Mr. HARE. I appreciate the suggestion of the gentleman from Wisconsin because it happens that he is a member of the subcommittee and is thoroughly familiar with the actions of the committee for the last 4 or 5 years.

Mr. Chairman, I have endeavored to make clear to the Congress what the history of this agency has been for the past few years so there may be no misunderstanding or confusion in the matter. I am not here to argue whether it should be turned back today, tomorrow, next week, next month, or even next year, but I want to make it clear that according to the evidence submitted to our committee every year for the past 3 years it was the original intention of the President and the expressed intention of the Congress when it adopted the report of the committee and passed the bill in 1943 indicating when the Employment Service should go back to the States.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hun-

dred and three Members are present, a quorum.

[Mr. DIRKSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, the bill before us, H. R. 4407, has for its purpose reducing certain appropriations and contract authorizations which were made available for the fiscal year 1946. As shown by the report, these reductions, covering rescission of appropriations, cancellation of contractual authorizations and the recovery of corporate funds, will aggregate \$52,453,535,278. This, of course, is a staggering sum of money. It does not mean, however, that we are making savings of that amount but that we are laying the foundation for curtailing war expenditures heretofore authorized which would have aggregated that sum if the war had continued and the expenditures made. It does not mean a reduction of the existing national debt.

I call attention to the following excerpt from the committee report on this bill showing the items reduced and the amounts still available for expenditure in the present fiscal year:

There follows a recapitulation of rescissions thus far effected and of those proposed in the instant measure:

Public Law 68, approved May 29, 1945: Cash and contractual authorization, U. S. Maritime Commission-----	\$4, 265, 000, 000
Public Law 127, approved July 3, 1945, applying to various appropriations----	92, 119, 000
Accompanying measure-----	52, 453, 535, 278
Total-----	56, 810, 654, 278

The amount above relating to the accompanying bill applies to a total availability on July 1, 1945, of appropriations and contractual authorizations of \$146,467,211,277. Subsequent accretions from reimbursements and cancellations, would raise the figure roundly to \$170,000,000,000. However, at the time the committee commenced its hearings (September 5, 1945), commitments had been incurred exceeding eighty-two billions. Of the remaining amount, therefore, the rescission is approximately 64 percent.

Details are contained in the table commencing on page 24 hereof. As to each item affected by the bill, except prior year funds, the table shows—

- (1) Appropriation or contractual authorization availability, July 1, 1945.
- (2) Rescissions formally recommended.
- (3) Rescissions in consequence of supplemental recommendations, by memorandum or otherwise.
- (4) Additional rescissions proposed by the committee.
- (5) Total rescissions proposed in bill.
- (6) Availability for whole fiscal year period after deducting rescissions proposed.

The following is a summation of such table, by titles:



	Appropriation or contractual authorization availability, July 1, 1945	Total of rescissions proposed	Balance available for whole of fiscal year
Title I—Various executive agencies:			
Cash.....	\$15,344,474,093	\$2,956,629,045	\$12,387,845,048
Contractual authorization.....	1,283,691,210	930,461,208	353,230,002
Total.....	16,628,165,303	3,887,090,253	12,741,075,050
Title II—Military Establishment.....	54,787,783,930	30,903,090,564	23,884,693,366
Title III—Naval Establishment:			
Cash.....	71,346,581,814	14,404,721,830	56,941,859,984
Contractual authorization.....	3,704,680,230	3,257,442,131	447,238,099
Total.....	75,051,262,044	17,662,163,961	57,389,098,083
Grand total.....	146,467,211,277	52,453,535,278	94,014,866,499

<sup>1</sup> Excludes obligations incurred subsequent to July 1, and estimated accretions during year.

<sup>2</sup> Excludes \$1,190,500 of corporate funds included in earlier totals.

The table, of which a summation is given above, should suffice as a report as to the great bulk of the items affected by the bill. The idea of recovering obligational availability previously voted for or incident to the prosecution of the war should have a generally strong appeal. If there be any question at all, it would seem that it would be, Why not larger rescissions?

For over a decade the costs of government have continued to rise each year, until today the aggregate cost for all governmental services is so large that it is threatening to undermine the financial structure of our Government. The overburdened taxpayers are demanding reduction of taxes, and the Congress has evidenced its intention to reduce taxes materially as shown by the bill recently passed by the House reducing taxes by some \$5,000,000,000. One of the main opportunities for reduction of taxes is reducing Federal expenditures. While it is true that during the prosecution of the war it was necessary to authorize enormous expenditures in order to bring the war to an early successful conclusion, now that the war is over there is no just reason why these wartime expenditures should not be drastically curtailed. It is the purpose of this bill to make a start in that direction, and I am happy to give the bill my support.

Up to July of this year, World War II had cost the United States \$259,000,000,000. However, there is still available appropriations for the present fiscal year \$94,014,866,499. We have a debt in excess of \$262,000,000,000. It will soon exceed \$300,000,000,000, more than the assessed value of all property in the United States. While the Congress has imposed upon the people the heaviest tax burden in all history during the war period, nevertheless we owe more than the total cost of the war. It is true we started the war with a heavy public debt, due to the orgy of New Deal spending which had continued for 10 years. It is interesting to note the cost of modern wars compared with those of ancient times. I have seen the statement that in the war of the Caesars the cost per man killed was \$0.75. In the Napoleonic wars it rose to \$3,000. In our own War Between the States, it was approximately \$5,000, and in World War I the estimated cost was \$21,000 to \$25,000, whereas in the war just closed, the expense rose to the enormous sum of \$50,000.

While the fighting war is over and the debt has been incurred and put on ice

for future generations to pay, including those of the present generation and the GI's who are just coming home, nevertheless, we are still faced with the enormous problem of meeting the obligations which are the result of the war. We have been confronted with a Budget of eighty to one hundred billion dollars a year. With the war over, this will be materially reduced, but we will still have a deficit in the current year estimated to be \$34,000,000,000. The deficit for the succeeding year will be substantially less. It will cost, according to the best estimates \$25,000,000,000 a year to run the Government on a peacetime basis. When all accounts are balanced and the war is behind us and our war commitments met, we will owe in excess of \$300,000,000,000. It will require \$5,000,000,000 per year to service this debt without amortization. Before the war the total expenditures of the Government did not equal this sum. This means that the Congress is faced with the heavy burden of keeping the national income at a high level. It must be kept in the neighborhood of \$140,000,000,000 a year in order to keep off the rocks of bankruptcy and meet our obligations. That means that our people must be able to secure purchasing power in order to maintain a high standard of living and keep the wheels of industry moving in order to maintain this high national income. It means high wages and prices commensurate therewith in order to enable the manufacturer and the farmer to produce and dispose of his products at a price that will enable him to meet overhead and make a modest profit.

We frequently hear the question, Where does Uncle Sam get the money to meet these enormous war expenditures? It must be answered that there are only two ways for him to secure the sinews of war and pay these enormous debts, namely, by taxing the American people and by borrowing from them. Both of these methods have been followed almost to the breaking point. The taxes imposed have been so heavy that in many instances they have forced industries to the wall and dried up the sources of incentive capital so that new industries, aside from war activities, have become almost nonexistent. Under the American system of private enterprise, if the incentive for gain is removed, industry dries up. There is no urge for one with idle capital to invest it in an indus-

try which will provide jobs for the workers if the Government seizes all profits and leaves the investor to worry with the losses. By reason of this the Ways and Means Committee and the Congress, in addition to relieving low-income taxpayers, desires to reduce the burden of taxes on industry so as to enable incentive capital to be put to work. The big problem facing us here in America is to provide jobs in private enterprise for the GI's returning to civilian life and for the workers released from war industries. Unless we are going to adopt a socialistic program and resort again to WPA spending, opportunity must be given to private capital to be put to work without seizing all profits resulting therefrom in order to provide full employment with American standards of wages. During the war it is conceded that it was necessary to tax to the limit, which was done. With the war over, the program should now be to require every man in every enterprise to carry his full share of taxation, but not to be taxed out of existence.

In addition to the problems facing the Congress in converting our Nation from war to peace and keeping America at work, cutting down the tax burden and keeping purchasing power in the hands of the buying public, we are confronted with international problems which also impose heavy financial burdens.

We have joined with our allies in attempting to provide a stable world where free, unhampered trade may prevail so that our own country, in common with others, may find markets for excess production. To accomplish this we have joined with other nations in establishing the UNRRA program, have joined in the Bretton Woods agreement and the Export-Import Bank, and have now been importuned by many of our allies to give them credits or make them loans running into many billions of dollars. Representatives of the British Government are here in Washington seeking to secure credits reported to be in the neighborhood of \$5,000,000,000, and the Russian Government heretofore has made it known that she would like credits or loans of some \$6,000,000,000 to enable her to rehabilitate her industries. The United States with its huge war debt does not have the money with which to make these loans or advance credits. If they are made, they can only be financed by further borrowings from the American people. Many Members of the Congress believe that America has been more than generous in providing funds through the lend-lease, UNRRA, and other agencies, in financing the war, and in helping to restore stable conditions behind battle lines in the liberated countries. With the war over they feel that we should now tighten our belts and endeavor to get our own country on a sound financial basis so that we may meet our outstanding bond issues and keep faith with the American people who have so generously provided the funds to float the bonds. They also feel that whatever assistance can be given foreign nations in order to help them restore their own financial equilibrium should be given but that it should be on a sound basis with some protection to the American taxpayer who ultimately must pay the bill.



Mr. Chairman, I hope the Congress, with the passage of this bill, is embarking on a program of drastic reductions in all Federal expenditures where savings can be made in order to protect the American taxpayer and in order to provide the incentive for capital to seek investment in private enterprise which will provide full employment for our people. Idle dollars mean idle men. Let us, therefore, Mr. Chairman, reduce expenditures, increase private enterprise with full employment, and insure a prosperous America.

Mr. Chairman, I am glad to give my support to the item in this bill which carries funds to continue the child-care centers until March 1, 1946. These centers were instituted purely as a war activity and it was agreed they would be discontinued when the war closed. They are now scheduled to be closed out October 31 unless this appropriation is provided for their temporary continuance until March 1. During the recess of Congress, while I was in my district, I took the occasion to inspect a number of these centers and also to meet with the Portland Council of Social Agencies which is deeply interested in this program. I ascertained at first hand the excellent work that has been done in my district in taking care of these young children of mothers employed in the war industries. Many of these mothers are wives of servicemen and there is a large number of fathers in the service who have not yet been discharged. If these child-care centers are abruptly discontinued at this time it will result in great hardship to these mothers and to their small children receiving this care.

These child-care centers were authorized for the purpose of securing much needed labor in war industries at a time when the young men carrying on industrial activities were called to the service, and as a result of which thousands of American women gladly left their homes and took up employment in war industries in order to help win the war. They have done an outstanding job and are entitled to the grateful thanks of our Nation. They contributed materially to the victory. Many of them were mothers of young children and, in order that these children should not be neglected and should have the proper daytime care while their mothers were at work, these child-care centers were instituted. We have a large number of them in my congressional district where over 100,000 war workers were brought from other localities to work in the shipyards and other war activities in the district and immediately adjacent thereto in the Portland trade area. I included as a part of my remarks a letter I recently received from Saidie Orr Dunbar of my district, who is director of the State advisory committee on child care, health, and welfare. Mrs. Dunbar sets forth in this letter factual information which I am sure will be of interest to you:

We thank you for your encouraging reply to our telegram of September 19, 1945, requesting your consideration of immediate measures to extend assistance to continue child-welfare facilities which have been supported by funds allocated through the Lanham Act.

The day-care committee of the Portland Council of Social Agencies advises us that on August 18, 1945, 2,500 children were enrolled in the day-care program in the Portland and Vanport areas. Of these, 1,850 attended the Lanham-operated centers, 455 the Kaiser child service centers, and 195 the four private nurseries, three of which are supported by the Community Chest. The Kaiser centers have since closed. When the Lanham centers also close, this total load will fall on the private agencies which have a capacity of 205. This is obviously impossible and it is the hope that during the next 6 months a readjustment of the situation can be accomplished.

The Council of Social Agencies also states that the nursery schools provide care for children 2 to 6 years of age; extended day care provides vacation supervision for school-age children. During the school year, this care has been for hours before and after school. In the Portland public-school centers, 347 fathers of children enrolled are in military service. Wives of servicemen are employed to supplement their husband's allotments.

With respect to recreation, the city of Portland Recreation Department has been operating 63 recreation centers, 30 of which have been financed entirely or partially by Lanham funds. The average daily attendance for all ages during July 1945 was 35,529, 75 percent of whom were under 18 years of age. The cost is borne jointly by the city of Portland and by Federal funds. The county is not authorized by law to support recreation. For the year 1944-45, the city supplied \$144,514 and Lanham Act provided \$197,550. The city has allocated \$180,000 for the 1945-46 period.

In other portions of the State the report is much the same. The total enrollment for August in nursery schools and extended day-care centers supported by Lanham funds was 2,169 children with an average daily attendance of 1,676. Of the 1,932 mothers whose children were under care, 657 were servicemen's wives. The following communities maintained centers in which more than 20 servicemen's wives had children under care: The Dalles, Toledo, Newport, Corvallis, McMinnville, Eugene, Medford, Portland, and Vanport City.

We shall appreciate your continued efforts to avoid the termination of Lanham Act activities until local or State provisions may be made should the need continue.

Mr. Chairman, I hope that the funds, recommended by the Appropriations Committee for the continuance of these child-care centers until March 1 will receive the full approval of the Congress so that the work may not be interrupted.

(Mr. ANGELL asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield such time as he may require to the gentleman from Michigan [Mr. SHAFER].

[Mr. SHAFER addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. SHAFER asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. EATON].

The CHAIRMAN. The gentleman from New Jersey is recognized for 9 minutes.

Mr. EATON. Mr. Chairman, representing a great industrial State, I am profoundly interested in this legislation. I am going to vote for it and in doing so I

gladly recognize the magnificent service the committee members have performed in preparing it for our consideration. I am especially interested in what is known as the Dirksen amendment which in my judgment is the keystone in the arch.

For more than 20 years I was associated with one of the greatest industries in this country, representing the employees as industrial relations counsel. During that long period I had to deal at first hand with the problems of employment and unemployment and of cooperation between management and men. So I am profoundly interested in the continuous expansion and successful, unified working of our social security and our unemployment agencies. I hope that this House will vote with great unanimity for this legislation today, including the Dirksen amendment.

Now I want to say a word or two about one aspect of this matter which may seem to be of minor importance, perhaps, but which contains within itself the principle involved in this proposed legislation. I have in my district Picatinny Arsenal, one of the group of old-line arsenals that has stood for generations behind our safety in this Nation. One of those arsenals situated at Watertown near Boston I have known for 50 years. Another one is at Springfield, Mass. Our Picatinny Arsenal is situated in a beautiful Morris County valley with high mountains on either side. It covers a territory of 9½ square miles, twice the territory of the town of Dover. There is an investment in buildings and equipment of \$40,000,000. During this war at the peak Picatinny employed around 13,000 people. For 65 continuous years since 1880 it has been outstanding as a center of scientific and experimental arsenal work in this country of ours.

I would like to ask the chairman of the Appropriations Committee if the proposed allotment to the Ordnance Department is sufficient, in his judgment, to keep these old-line arsenals in working order, equipped with a proper force of employees and experts, to stand behind the continued safety of this Nation and, especially, if Picatinny Arsenal is going to be continued as a going concern or be wiped out?

Mr. CANNON of Missouri. I may say to the gentleman, in response to his inquiry, that we are very glad to cooperate with him in retaining this arsenal. The appropriation for ordnance, naturally, was among the largest of the appropriations to come before the committee. We eliminated \$8,000,000,000, but we left more than \$3,000,000,000 to continue the program. Of course, as has been stated, this money may be allocated by the department as it chooses, but it is my understanding they intend not only to maintain the arsenal but to increase the amount of the allotment while operations at the Picatinny Arsenal were temporarily suspended at the close of the war, pending readjustments and a determination as to what would be done with it in the post-war era. I am glad to assure the gentleman from New Jersey



that it will be continued, and on a larger scale than that on which it was operated prior to the war. It will be a permanent installation and some of the activities now handled elsewhere that will be permanent in nature will be transferred to Picatinny. Of course, it will be some time before the amount of appropriation is determined, but the activities can be supported from funds made available until full operation is resumed. It is expected all the old personnel which may have been laid off temporarily will be reemployed.

Mr. EATON. Does the gentleman mean the administration of the allotted funds by the Army and Navy for the support of these arsenals will insure their continuance on a peacetime basis?

Mr. CANNON of Missouri. Exactly. We have in Picatinny three generations of workers. We have over a thousand men and women who have worked there for more than 20 years. We have 140 who have worked there for more than 25 years. In one neighboring town 25 percent of the population have derived their livelihood for two generations from working in this arsenal and if it were to be shut down, or as is now proposed reduced to around a thousand employees, it would create a financial and an unemployment situation of terrific force, and destroy the well-being of several surrounding communities.

In reference to the Watertown Arsenal near the home of the distinguished majority leader of the Democratic Party, it is surrounded by a great industrial community of 2,000,000 population. They could easily absorb into the industrial life of that community a few hundred unemployed arsenal workers. But Picatinny Arsenal is surrounded by communities of limited industrial capacity and we cannot absorb a large number of unemployed.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield with pleasure to the gentleman from Massachusetts.

Mr. McCORMACK. I wish the best of luck to my friend's arsenal, but as between Watertown and my friend's arsenal he does not mind if I fight for Watertown first?

Mr. EATON. I would be ashamed of the gentleman if he did not fight for his own and it would be the first time that I ever failed to be proud of his loyalty and honor.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield to the gentleman from Nebraska.

Mr. STEFAN. Would not the gentleman wish that the time had come when he could take the well of the House and plead for the closing of these arsenals so that we would no longer have to keep them open to make material to destroy mankind?

Mr. EATON. I wish that with all my heart now, but I do not see any present prospect that it will happen soon.

Let me say a word about full employment in this connection. If we are going to have full employment in this country, what do we mean by it when the Federal Government begins by driving its own

employees into the streets, without a job, and leaving only a handful, where our national safety requires that they continue on the job?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I make an observation on the gentleman's colloquy with the gentleman from New Jersey? The power that we have should be preserved and maintained. After this war is over the United States will be possessed of great power, and power is perfectly proper. It is a very useful and legitimate possession if used for good and not for evil. I think the real answer to the statement made by our colleague is that we should have a strong Navy and a strong Army and that our arsenals and our navy yards, all of them necessary to keep the United States a powerful nation in the future, should be maintained in order that our power be preserved to be used for good and not for evil.

Mr. EATON. To that I say "amen." I have no illusions as to the future. The United States is the fattest goose that is left unplucked, and we certainly will be plucked bare unless we have the backbone and the courage and the intelligence to take care of ourselves and continue to be strong. Unless we are healthy ourselves here at home, we cannot retain our place in a sick world sucking the life out of us on every side. I am strong for a big navy, strong for a big air force, strong for all necessary armed preparation, and for that reason I am especially strong to keep Picatinny Arsenal going.

Mr. TABER. Mr. Chairman, I yield the remainder of the time to the gentleman from Nebraska [Mr. CURTIS].

(Mr. CURTIS asked and was given permission to revise and extend his remarks.)

Mr. CURTIS. Mr. Chairman, this rescission bill, or bill to recover to the Treasury certain sums of money that have been appropriated to the Administration for war purposes, is a step in the right direction. The Congress should recover this money, the only objection to this measure is that it does not recover a sufficient amount.

Throughout the period of this war, the Congress has made an honest attempt to prevent waste of the public money. The administration of these laws that the Congress has enacted, and the spending of the money that Congress has appropriated, are the responsibilities of the administration. In several glaring instances the administrative agencies have failed to carry out the intent of the Congress.

As a member of the Ways and Means Committee, which committee must recommend the taxes to be imposed on the American people, I shared the view of the minority members that we should cut the taxes at least 20 percent. The reason that this was not done was because some administration leaders realized that a 20-percent cut would eliminate much waste. We cannot waste the public money and at the same time lower taxes for the American people.

Illustrative of the waste that I have mentioned, I have noticed from time to time in the CONGRESSIONAL RECORD, facts and figures which indicate that the Maritime Commission and the War Shipping Administration are guilty of misuse of the public funds to the extent of hundreds of millions of dollars.

The Congress enacted a Renegotiation Act for the purpose of eliminating war profits. It was not the intention of Congress that this be applied only to the little war contractor at the crossroads or some subcontractor. We did not intend that the little fellow be put through the mill and that certain items representing hundreds of millions of dollars be winked at. When the Chairman of the Maritime Commission, who is also Administrator of the War Shipping Administration, appeared before the Ways and Means Committee, as disclosed by the hearings, he gave us to understand that all war contracts under his agency were subject to the renegotiation law. Some time ago, I addressed a letter to the Chairman of the Maritime Commission, and Administrator of the War Shipping Administration, inquiring about the war contracts and how many of them had been renegotiated. To my surprise I found that out of some \$21,000,000,000 of war contracts, less than 60 percent had been renegotiated. Upon investigation, I find that the same gentleman appearing before the Appropriations Committee about a week after his appearance before the Ways and Means Committee, furnished a written statement that showed that under the discretionary power he had exempted from the Renegotiation Act and I quote, "Contracts and subcontracts for the sale or lease of any interest in real estate," and "Contracts for the sale of vessels and their equipment, other than contracts for the construction of vessels." Also other categories of contracts incident to our war program and involving millions and millions of dollars.

I note in the CONGRESSIONAL RECORD of October 1, 1945, a statement by the gentleman from Ohio [Mr. WEICHEL], to the effect that from a contract involving \$32,000,000 there was an admitted profit of \$27,000,000 and no part of that contract has been renegotiated. In that same statement is shown that a vessel with a depreciated value of \$3,000 shows a profit of \$338,000. This item was not renegotiated. How can the Congress cut taxes and save money when these administrative agencies refuse to obey the mandate of the Congress?

In addition, the gentleman from Ohio on the same day brought forth the fact that this agency has permitted a certain few to accumulate tax-exempt profits and gains of some \$329,000,000, few of any of which have been renegotiated.

In the CONGRESSIONAL RECORD for the same date, the statement of a gentleman from Massachusetts [Mr. WIGGLESWORTH], shows that 758 ships, 20 years or more of age, with a book value of \$37,900,000, earning under charter \$199,700,000 in 18 months. And that, 690 vessels, 20 years or more of age, with a book value of \$34,500,000 and insurance allowed to the extent of \$477,300,000 or



1.400 percent of the book value. Bear in mind that this insurance was all with the taxpayers' money. The taxpayers paid the losses.

The Congress not only passed the Renegotiations Act, but they have a committee on expenditures in the Executive Department, which apparently the administration has been able to prevent from functioning. In addition to this, the Congress created the Office of the Comptroller General, the function of which is to call attention to the Congress of excessive and unlawful expenditures.

Recently I wrote the Comptroller General in reference to one of these items and he sent me a copy of a letter he wrote to the Chairman of the Maritime Commission, in which he said:

Obviously it was not intended that the Government might assume insurance risks, under any circumstances, in excess of the value of the vessels in the event of their total loss or destruction.

The ship in question was the *Santa Lucia*. The book value placed on a vessel is made by the Maritime Commission and under the law the Government would have a right in wartime or in time of emergency to acquire the vessel for that amount. According to the letter of the Comptroller General this vessel was constructed originally with the aid of a construction differential subsidy under the Merchant Marine Act. The letter of the Comptroller General shows that the Maritime Commission allowed an insurance payment in excess of the book value of the vessel to the extent of \$2,252,615.21, in excess of what the vessel could have been taken over for by the Government. The Comptroller General, in his letter referred to, is clear that such an allowance of insurance could not and should not be made. Yet I find that on a later date the Comptroller General retracted from his position without any statement as to why he did it.

Mr. Chairman, the administrative agencies have failed the Congress under the Renegotiation Act, administrative forces have been successful in preventing our own Committee on Expenditures in the Executive Departments from doing all that should have been done, and the Congress has been failed by the Comptroller General in that he has not called to our attention such facts as shown by the gentleman from Massachusetts [Mr. WIGGLESWORTH] and the gentleman from Ohio [Mr. WEICHEL] to which I have referred.

Mr. Chairman, we can reduce taxes if we eliminate waste, but we cannot reduce taxes if the administration is going to continue to permit a favored few to reap vast fortunes at the expense of the American taxpayers.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unreverted appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into

the Treasury immediately upon the approval of this act.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. As I understand, the rules provide that the bill shall be read by appropriation titles. My understanding of that is that as each short subject is read amendments will then be in order. For instance, on page 2, Foreign Economics Administration, the Clerk would read down to the next item, National War Labor Board, and then amendments might be in order for that particular-unit read.

The CHAIRMAN. That is the understanding of the Chair, and I think that is what is intended under the rule.

Mr. TABER. I wanted the membership to know that so that there would be no confusion as we went along.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS**

**EXECUTIVE OFFICE OF THE PRESIDENT**

*Office for Emergency Management*

**Foreign Economic Administration:**

Salaries and expenses, \$5,226,461, and limitations under this head are hereby decreased as follows: (1) Travel within continental United States from "\$234,000" to "\$150,000," (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$40,000," and (3) expenses of a confidential character from "\$1,200,000" to "\$25,000."

**Penalty mail costs, \$12,440.**

**National War Labor Board:**

Salaries and expenses, \$1,563,500.

**Office of Defense Transportation:**

Salaries and expenses, \$3,075,000, and limitations under this head are hereby decreased as follows: (1) Traveling expenses from "\$452,500" to "\$150,000," (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from "\$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000."

**Office of Economic Stabilization:**

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500," (2) traveling expenses from "\$4,500" to "\$4,000," and (3) printing and binding from "\$2,000" to "\$1,600."

**Office of Inter-American Affairs:**

Salaries and expenses, \$1,500,000.

**Office of Scientific Research and Development:**

Salaries and expenses, \$56,101,792.

**Office of War Information:**

Salaries and expenses, \$10,662,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$25,000," (2) travel within continental United States from \$267,500 to "\$230,000," (3) printing and binding within continental United States from "\$1,000,000" to "\$550,000," and (4) to meet emergencies of a confidential character from "\$250,000" to "\$40,000."

**War Manpower Commission:**

General administration, \$71,191.

Apprentice training service (national defense), \$131,500, and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense), \$125,000, and the balance to remain available until December 31, 1945.

Migration of workers, \$479,000.

**War Production Board:**

Salaries and expenses, \$10,000,000, and limitations under this head are hereby decreased as follows: (1) Travel expenses from "\$1,944,000" to "\$954,000," (2) penalty mail costs from "\$210,000" to "\$105,000," (3) printing and binding from "\$648,000" to "\$346,000," and (4) salary of the head of the agency from "\$15,000" to "\$12,000," except that so long as the position is held by the present incumbent the salary shall remain at \$15,000.

**War Shipping Administration:**

Revolving fund, \$195,452,000.

Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund, \$91,000,000.

Office of Censorship: Salaries and expenses, \$8,200,000.

**Office of Price Administration:**

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064," (2) traveling expenses from "\$7,949,700" to "\$6,780,000," and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000."

**Office of Strategic Services:**

Salaries and expenses, \$11,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$2,000,000," and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$1,750,000."

**Petroleum Administration for War:**

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000," and (2) travel expenses from "\$263,700" to "\$100,000."

In all, Office for Emergency Management, \$447,886,225.

**EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT**

Emergency fund for the President, national defense, \$45,000,000.

**Defense aid—lend-lease:**

(1) Ordnance and ordnance stores, supplies, spare parts, and materials, \$57,990,000.

(2) Aircraft and aeronautical material, \$85,705,000.

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories, \$24,461,000.

(4) Vessels, ships, boats, and other watercraft, \$76,080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning, or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States, \$73,266,000.

(7d) For necessary services and expenses for carrying out the purposes of such act not specified or included in the foregoing, \$43,943,000.

In all, emergency funds appropriated to the President, \$1,784,561,000.

Mr. DWORSHAK. Mr. Chairman, I offer an amendment.



The Clerk read as follows:

Amendment offered by Mr. DWORSHAK: On page 6, line 16, after "articles", strike out "\$1,351,216,000" and insert "\$1,851,216,000."

Mr. DWORSHAK. Mr. Chairman, on August 17 President Truman issued an Executive order terminating lend-lease operations. That action was acclaimed throughout the country because, with the end of hostilities, the American taxpayers realized there was no justification for continuing the huge expenditures under the lend-lease program. If the Members read the hearings on this bill, they will find nothing but conflicting testimony on the part of the officials of the FEA in regard to this item. It is true the committee is bringing in a recommended rescission of \$1,739,561,000, which is only \$10,000,000 in addition to the voluntary rescission of funds offered by the Lend-Lease Administration. On July 1, 1945, lend-lease had available \$9,122,828,000. The 1946 appropriation amounted to \$2,475,000,000. There were also approximately \$2,000,000,000 of free funds carried over from the preceding year. There were also about \$4,000,000,000 which had been obligated on contracts and commitments, but which actually had not been paid out of the Federal Treasury. All of these amounts total \$9,122,828,000.

The hearings will indicate that outstanding obligations on August 11, 1945, a few days prior to VJ-day, were a little in excess of \$5,000,000,000. Now, you probably read in the press recently that Russia completed negotiations to take over accumulated lend-lease supplies in that country to the amount of approximately \$400,000,000, to be paid for over a period of 30 years at a small rate of interest.

It is also reported that Great Britain is negotiating the purchase of a similar amount, approximately \$400,000,000. So that, even in consideration of the purchase of accumulated lend-lease supplies in all of the United Nations, there will probably be a sum of about \$1,000,000,000. Now, keep this in mind: On August 11 there were outstanding obligations in excess of \$5,000,000,000, but, according to the testimony submitted at the hearings, there is only a possibility of recapturing less than one-fifth of that from our various allies in the purchase and payment of accumulated supplies.

On page 919 of the hearings you will find lend-lease materials contracted for but not delivered on VJ-day were \$533,000,000, which is in excess of half a billion dollars. You will also find on the following page a table showing that the storage and warehouse inventory of lend-lease materials on VJ-day amounted to \$858,000,000. Then you will find that Mr. Parleman, of the FEA, testified on page 924 of the hearings that there were \$685,000,000 available to be obligated after the end of the war. Now, the point I want to stress is this—the more you study these figures, the more confused you will become, just as were members of this Appropriation Subcommittee, and as was indicated by our ranking minority member of the committee, the gentleman from New York. You will find there remain outstanding obligations at the end of hostilities in Japan in excess of \$5,000,000,000.

In the short time remaining, I simply want to stress this point. You probably are aware that Congress has appropriated approximately \$66,000,000,000 for lend-lease. The President reported recently approximately \$41,000,000,000 have been accounted for, which leaves a difference of about \$25,000,000,000. We all know that the War Department and Navy Department have diligently canceled outstanding contracts because they saw no continuing necessity for the further expenditure of the funds which have been made available by this Congress.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. DWORSHAK. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. DWORSHAK. The fact remains, if these other war agencies can cancel contracts and recapture funds, I challenge anyone on this floor to justify the failure of the FEA to cancel contracts and to recapture some of these funds, the difference between \$41,000,000,000 and \$66,000,000,000. There are many supporters of lend-lease, and undoubtedly that program did accomplish some worth-while purposes. But the war has ended. Five months after VE-day lend-lease officials testified at a hearing that they had not yet ascertained what contracts had been canceled or would be canceled. Is there any reason why, 5 months after the end of hostilities in Europe, public officials should come up here and seek to justify their culpability in permitting \$25,000,000,000 to remain uncaptured? It is time that we recaptured at least another half billion dollars with this amendment.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. DWORSHAK] has expired.

Mr. RICH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I congratulate the gentleman from Idaho [Mr. DWORSHAK] for offering this amendment. But I am wondering why he did not increase it to four or five or six or seven or ten billion dollars. When I heard the Clerk read this bill and the amount you are trying to recapture, it is about the best reading I have heard in a long time in this House. A bill to cut down appropriations already made. It is about the best reading some of you will hear for some time. Anything that spells economy, I am for. Now, let us make it read right. Let us pass this amendment to the bill and increase it in many other instances. Cut down all you possibly can. If it is a fact that the information which the Appropriations Committee gets from public officials of the Government is so vague, then the thing for Congress to do is to get out the ax and chop off extravagance just as much as you can, so that the bureaucrats will have to quit spending. You know as long as a squanderer has money in his pocket he spends and spends and spends, but when he does not have any money he cannot spend. That is the only way you can regulate some Government officials. Take it away from

them so that they will have to come to you, if they want more money, and then they will know the value of a dollar, or at least they will know you are at least looking after the taxpayer and the welfare of the country.

I know you all keep posted on the Treasury statements; if not, you should. On October 16 the national debt was \$262,154,526,718.88. I do not know how they got the 88 cents, but I do know how they got the \$262,000,000,000. The New Deal is most responsible for inefficiency. Now, let us watch every penny. If the members of the Committee on Appropriations can offer some further amendments increasing the savings above this amount so that this will read right, by saving down to the very last nickel or penny that we can cut from these appropriations, then I think that committee will do the best job that is possible for the welfare of this country. Let us be frugal.

I hope this amendment will be adopted and that we can add many more amendments that will eliminate additional funds. If, as was said, they have \$66,000,000,000 for lend-lease, and lend-lease has been terminated, why do we not cut more than \$40,000,000,000? If they still have \$25,000,000,000, that is \$24,999,999,999.99 too much for lease-lend. Let us cut it out.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. O'NEAL. If you have bought something and have not paid for it, do you think you ought to pay for it or just drop it?

Mr. RICH. I have always tried to pay my bills, and I believe everyone should pay his obligations, but it does not seem as if Uncle Sam is able to pay his. It will be a long time before he will be able to pay the bills created by the New Deal. Where are you going to get this money? You remember you borrowed money from 88,000,000 bondholders in this country. You have got to pay it back. The best way to pay it is to cancel a lot of these obligations, be saving, by efficiency, by economy, by good business methods.

Mr. O'NEAL. Will the gentleman yield?

Mr. RICH. I yield to the most distinguished gentleman from Kentucky.

Mr. O'NEAL. I would like to tell the gentleman that what he is asking us to do here is simply to repudiate this obligation.

Mr. RICH. No; I am not. The confusion and Government inefficiency is the reason.

Mr. O'NEAL. Repudiate payment for goods which we have already bought.

The gentleman says, "Do not appropriate the money." Is the gentleman going to repudiate the purchase?

Mr. RICH. I want to stop lease-lend; I want to cut it off now. It never was a good way to assist our allies. It was the poorest piece of legislation ever enacted. We should have dealt with our allies on a good, sound, sensible business basis. The American people have got to pay for every dollar of lease-lend, because they are not going to get it back, the way it looks to me. Who ever heard of such a procedure involving over \$40,000,000,000?



Nothing ever like it before in history by any people. I thought when the legislation was first enacted that the President had in mind giving America away on a platter, and he did a good job for the other fellow. He forgot America. If these foreign countries want to get more merchandise, let them make arrangements to pay for that merchandise in the good, sound, old-fashioned, American business way. Let us be men, sound and sensible, if that is possible.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN. Mr. Chairman, I wish to ask the gentleman from Kentucky whether he means by his statement to the gentleman from Pennsylvania [Mr. RICH] that we had bought and agreed to pay for these various items up to the full amount that has been appropriated to lend-lease? Is that it?

Mr. O'NEAL. I may say to the gentlemen from Michigan that I believe the people handling lend-lease are very competent men of great business experience who are as good American public servants as will be found anywhere. They will pay what they are obligated to pay and make the best deal they can on anything that is subject to negotiation.

Mr. HOFFMAN. That was not the point I was asking about. Am I correct in understanding that in answer to the gentleman from Pennsylvania the gentleman from Kentucky said that the United States Government had obligated itself to make payments up to the full amount that had been appropriated for lend-lease? Is that what the gentleman said?

Mr. O'NEAL. According to the testimony we have, of the amount which is left to lend-lease substantially all is obligated except \$500,000,000. If the gentleman will turn to page 13 of the report he will see the item:

Liquidation of commitments for goods and services, and incidental administrative expenses, \$1,279,183,000—

Which is the major part of the \$1,879,000,000—commitments for things, I may say to the gentleman from Michigan, which we have bought in the way of goods and services.

Mr. HOFFMAN. Then under the gentleman's statement there is \$500,000,000 on hand, which has not been spent, to spend on which no contracts have been made. Is it not true we have incorporated in all of the contracts we have on lend-lease the same provision for cancellation that we have in contracts with our own people for war production under which we have the right to cancel at any time?

Mr. O'NEAL. No doubt there have been and will continue to be cancellations beyond what was anticipated, but these are obligations already incurred.

Mr. HOFFMAN. Yes; I know, but not for the \$500,000,000. When the Federal Government has contracts with our own people who have been manufacturing munitions of war and other things and those contracts contain cancellation clauses in the event of the cessation of hostilities, have we failed to put such cancellation provisions in the lend-lease contracts? Are those contractors to be put in a favored class over our own local people?

Mr. O'NEAL. I may say to the gentleman from Michigan that there is no difference at all. It is just a question of whether a contract has been performed or not.

Mr. HOFFMAN. The gentleman means whether the goods are ready for delivery?

Mr. O'NEAL. Whether the goods or services have been furnished or rendered. Where they have been we feel the contract obligation should be fulfilled.

Mr. HOFFMAN. That is true but we have not agreed to pay anyone any part of this five hundred million. This is a move to prevent the spending of an additional sum. The people of the country are beginning to wonder whether we are going to continue to send everything abroad under lend-lease, UNRRA, and by way of gifts to other nations until we are bankrupt. Within the past week there appeared before one of the standing committees of the House a number of witnesses and to Washington came a thousand representative citizens insisting that we provide jobs for all. One of the witnesses before that committee testified that we would have not less than 8,000,000 unemployed in the next year. He also testified that there must be an adequate wage or income of not less than \$3,000 annually. That is \$24,000,000,000. Then there is another bill that calls for the expenditure of \$52,000,000,000; this makes \$76,000,000,000 for which they are asking. The President said that lend-lease was at an end, and the Army and the Navy are feeding and clothing the people in the occupied areas. If there is one single word or thought that is worth anything in the statement made late yesterday afternoon by the gentleman from Georgia that we are in danger because of the policy adopted and followed by Russia, then does it not occur to the gentleman that it is about time we cut off this lend-lease entirely and that we quit giving aid to a nation which has a theory in conflict with our political principles. We have no right to tell other nations how they shall conduct their domestic affairs but we have the right to say how our money shall be spent. I hope this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. PATMAN. Mr. Chairman, reserving the right to object, would the gentleman add 5 minutes because I would like to have 5 minutes on this matter?

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I rise at this time only because of some of the things that have been said within the last minute or two about lend-lease and our relationship to certain foreign countries. I want my own position on this matter to be very plain. It is my earnest belief that if the degree of hunger and want which I understand will prevail in the western European democracies goes unchecked in the coming winter the consequences from the point of view of everything America holds dear may be serious indeed.

Meanwhile we shall have a huge surplus of eggs, citrus fruits and some other commodities in this country. I would like to see food get to those hungry people and if we cannot do it by lend-lease, and I would be glad to see lend-lease resumed as to those nations just for food, but if we cannot do it that way I am for amending the Commodity Credit Act so that it can be done in that way. I just could not let some of the remarks that have been made go without making it plain that, popular or unpopular, I care not which, in the long run unless there is a minimum of food gotten to those people we are going to have serious conditions indeed.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman I am sure realizes that UNRRA is the organization set up to provide the very things that the gentleman has mentioned?

Mr. VOORHIS of California. The gentleman is mistaken. UNRRA does not go into France, Holland, Norway, or Belgium, any of those four countries, and only goes to a very limited extent into Italy. UNRRA only operates in the countries farther east. The countries I am talking about are the so-called paying countries which up to date have paid cash for every single thing they have received.

Mr. AUGUST H. ANDRESEN. They still have the cash and they want to buy for cash right now?

Mr. VOORHIS of California. I think they do, but they are also up against the problem of rehabilitating their own economies. In some instances I think there will be a tendency to buy machinery and long-term things like that rather than food. I could not in 5 minutes



tell the gentleman how this problem can be solved. I do know that the food is needed. To the extent that it can be paid for, of course, I am for having it paid for, but to the extent it cannot be paid for I am in favor of sending it over there anyway.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Idaho.

Mr. WHITE. Does the gentleman know that the Department of Agriculture states that the potato-growing industry in this country is confronted with a surplus of 68,000,000 bushels of potatoes?

Mr. VOORHIS of California. Yes.

Mr. WHITE. Those potatoes were prepared for dehydration. They were dehydrated and sent over to Europe but the people over there said they did not want them.

Mr. VOORHIS of California. I do not know that.

Mr. WHITE. There have been four shiploads of canned peas also sent over there and they are lying over there because the people do not want to eat canned peas.

Mr. VOORHIS of California. No; I do not know that.

Mr. WHITE. The gentleman should consult the Department of Agriculture and he will find out something.

Mr. VOORHIS of California. I have consulted the Department of Agriculture.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I want to say, apropos of what the gentleman from Idaho stated, that I recently was in Europe as a member of the Naval Affairs Committee. In the countries we were in, particularly France, Belgium, and Italy, they would eat anything. That is how bad off they were.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Is the gentleman aware that the War Department has had about a billion dollars during the past fiscal year and in the current fiscal year to relieve the distressed and hungry in the liberated areas, and that we have UNRRA and other agencies to relieve the distressed to which the gentleman refers?

Mr. VOORHIS of California. Just a moment; all of which money, so far as the War Department is concerned, will be spent from now on in the conquered countries and not the liberated countries. I repeat that UNRRA does not operate in any of the western democracies I have mentioned, France, Belgium, or Norway, and only to a limited extent in Italy. I have not presumed here to tell the House just how this problem ought to be solved. I have taken exception to a point of view which indicates that this great Nation can afford to see people in Europe starve this winter or go seriously hungry so that their children will grow up deformed.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, there is no issue before us now as to whether we are for or against having people starve. I think the heart of America has always responded to relief needs, and always will.

This is a matter of honest accounting for Federal funds. When we passed the lend-lease extension this spring, this House wrote into it a provision that lend-lease should end with the end of the war, except for articles that were already contracted for and for which cash would be paid. Those particular contracts can be carried out after VJ-day. Otherwise lend-lease ends.

Now, I cannot make these figures parse out. You will find here on page 13 of the report \$1,279,183,000 liquidation of commitments for goods and services, and the report says that recovery is anticipated of "the greater part of the funds." What part will not be recovered? Under the lend-lease law recovery should be had of every dollar of lend-lease furnished after the war, and the proceeds of that recovery will go into a rotary fund that the Lend-Lease Administration can again spend. I understand that there is over five billions in lend-lease that is supposed to be obligated, but not spent. I cannot imagine how this vast amount could be legally under obligation, under the lend-lease law. Instead of the cut being \$500,000,000 more, under the present amendment, it might conceivably be almost 10 times that amount. But I confess that I cannot make the figures parse out, and I ask the gentleman from New York if he can explain the discrepancy.

Mr. TABER. I am unable to explain it. But as I said when I was on the floor we could not get any satisfactory statement out of the lend-lease outfit. It is my purpose—I do not know whether I will be successful or not—immediately after this bill is disposed of to ask the Committee on Appropriations to order a complete investigation of this whole lend-lease picture by our investigators, with auditors, so that we will have something to operate on. We have nothing to operate on and know nothing about it. There are \$5,000,000,000 worth of contracts hanging fire. For what, nobody knows. Nobody knows how much we can salvage. My own opinion is that we ought to be able to save a great deal more than \$500,000,000 out of this; but I do not know, and I want to find out that which we were unable to get in the hearings.

Mr. VORYS of Ohio. If there are limitations imposed by law on expenditures for postwar lend-lease, should there not be substantial salvage out of that \$5,104,000,000, that is at present supposed to be obligated? How can that possibly be for obligations incurred before the war's end for which cash is to be paid?

Mr. TABER. I cannot see why there should not be very much salvage out of that \$5,000,000,000.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Is it any more unreasonable to demand that the Lend-Lease Administrator cancel some of his contracts that are not necessary now for

the attainment of his program than it is to expect the War Department or the Navy Department to cancel many billions of dollars of their contracts?

Mr. VORYS of Ohio. No. It seems to me it is quite reasonable. I think this problem is not whether we are in favor of having America participate in postwar relief or whether we are in favor of postwar participation by America in the rehabilitation and reconstruction of these devastated countries. I for one, expect my country to do its part, but we want to have that participation presented as a postwar program to the Congress so that we can judge it by its four corners and on its own merits. We want to prevent the misuse or abuse of lend-lease, which Congress and the President all decided should end with the war. We want to prevent the use in any way of lend-lease, or any loopholes in it, as a device for carrying on unauthorized postwar relief, rehabilitation, or reconstruction. When we take that position, it is not that we are opposed to international cooperation in aiding where we are needed; it is merely that Congress wants to know what the plans are, and we want to approve them before we launch into them.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. When we were in India recently we were told that America had furnished India \$2,000,000,000 lend-lease, with \$500,000,000 reverse lend-lease. Despite the fact that India had received lend-lease for one and a half years before we received any reverse lend-lease, the moment lend-lease was terminated India stopped reverse lend-lease, and we had to pay in dollars for all food, services, and supplies furnished our Army by India. This in the face of the fact that India owed us one and a half billion dollars balance under the program.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(Mr. VORYS of Ohio asked and was given permission to revise and extend his remarks.)

#### INFLATION AND RETURNING VETERANS

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I hear statements practically every day on the floor to the effect that there is danger of repudiation of our Government bonds, that the country is going into bankruptcy. I can speak only for one Member of this great body, but I want to say that I do not agree with that statement at all. I do not think there is any danger of our Government repudiating our bonds, not the slightest chance on earth of that happening. Our country is not going into bankruptcy. Nations cannot go into bankruptcy. It is not possible to go into bankruptcy. There is only one way that we can destroy our country and that is by printing so much money or by creating so much credit through commercial banks that the money and checks will become worthless. But we will pay our bonds and we will pay our debts.



But that is the only way we can do it, with worthless money.

We want to pay this national debt with honest dollars. There will be no repudiation, there will be nothing in the form of bankruptcy, but there will be a sincere effort made by Congress and the people to pay our large national debt 100 cents on the dollar with honest dollars, and we will be successful. That is what we want to do. I do not think there is any doubt in the world about it.

Our debt is very high, that is true, \$261,000,000,000, the highest debt any country ever had in the history of the world. Notwithstanding that, this enormous debt, about 10 times as much as it has ever been before, the war has been financed with the lowest interest rate in the history of the world. During the First World War we paid over 4 percent interest. During this war the interest rate has been and is now below 2 percent. Does not that indicate solvency, does not that indicate security, does not that indicate confidence on the part of the people? They would not buy these bonds that are drawing less than 2 percent interest if they did not have complete confidence in their country. Let us hope that they will continue to maintain that confidence. Let us say just as little as possible about debt repudiation or bankruptcy, because there is just not one chance in a million of that happening without inflation. It just will not happen, that is all, except, of course, to the extent that our dollars are made less valuable through inflation.

That is one thing that can happen in this country that will be disastrous, that will be just about as costly in dollars as losing the war, and that is inflation.

I invite your attention again to a serious problem regarding housing. In every boat load of returning servicemen you will find hundreds of men who have been away from their families 2 or 3 years. Their families have been residing back home with their parents, their fathers and their mothers, or other relatives. They want homes for themselves to live in.

They have a right to expect these homes at reasonable prices. I do not care how many builders we have, it will be impossible to build enough houses to house all these returning veterans in another 2 years. During the next year 1,500,000 returning servicemen, married, will be unable to buy a home or rent a home. They will just have to double up with other people. Today, the most serious break in our dam that has been holding back inflation has been the removal of L-41, which was holding down the price of building construction and the price of the finished house. Now, the sky is the limit, and these boys who have been earning \$50, \$60, and \$75 a month are coming back home and they have to pay \$8,000 for a \$4,000 house or even pay \$10,000 or \$12,000. You say they will not pay it. Well, somebody will have to pay it for them if they are to have a place to live. That is one of the most serious problems that we have facing our country today. So let us work to the end that something will be done to patch up the break in our inflation dam and prevent this great wrong and injustice

from being perpetrated on our returning servicemen.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, returning to the amendment pending in the Committee, there was no item in the bill which was more carefully canvassed and more exhaustively considered in the committee. It is a very simple proposition. There is no occasion for any concern about it. The unobligated balance under the project to which the amendment applies was \$2,636,216,000. Now we take from that the committee rescission of \$1,351,216,000, leaving \$1,285,000,000. From this, the gentleman proposes to deduct an additional half billion dollars. That will leave \$685,000,000 in this project. But there already will have been transferred \$100,000,000 to UNRRA and \$500,000,000 is earmarked for Agriculture for support of the parity agriculture program plan with which you are familiar. That would leave only \$185,000,000 in this project. We have entered into contracts which are so nearly complete that it would be disastrous to take this step at this late date.

It is true the War Department and the Navy Department have canceled many contracts, but they canceled none on which they lost more than they made by the cancellation. That would be the situation here. This money is in goods that have been largely processed. We are obligated. We cannot refuse to take them. But we already have agreements with the foreign nations to which they have been assigned under which they will pay for them dollar for dollar in cash or approved credits. In other words, we have just had a conversation this morning with the Administrators of this activity and were assured that there was positively no doubt that we would get back every dollar of this money. On the contrary, if this amendment were adopted we would lose money. Repudiation of these contracts now, would cost us heavily in cancellation expenses and fees. But if we go ahead and take the goods, we sell them for 100 cents on the dollar. If canceled we lose the cost of cancellation and are involved in unpleasant negotiations with the nations to whom we have agreed to sell them and who will not understand why we have welched on our agreement.

Furthermore, we get another opportunity to retrieve any possible surplus remaining after liquidation of this project. Lend-lease is through. It is being liquidated. They make their final report in January, and we can then recover any funds not required for liquidation. We have positive assurance that our losses will be relatively nil if the committee's proposal is followed. If we agree to the amendment we may lose a substantial amount in the resulting costs and we would be involved in controversies with the nations for whom we have agreed to provide these goods, not to mention the readjustments with the contractors.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. If the gentleman will get me one additional minute to answer his question.

Mr. DWORSHAK. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for one additional minute so that he may answer a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. DWORSHAK. The gentleman has referred to expenditures under the lend-lease program on the basis of creating a lot of surplus property. Would the gentleman have this House believe that it is possible to sell that surplus property and collect 100 cents for every dollar invested, as he said a moment ago?

Mr. CANNON of Missouri. Practically so, yes. The contracts have been so nearly perfected that we cannot cancel them without loss and the incidental expense to the Government. We already have an understanding with the nations which are to get the commodities that they will pay us a hundred cents on the dollar for them. Part of them to pay in cash and part on approved loans.

Mr. DWORSHAK. For all this surplus property that is available under lend-lease?

Mr. CANNON of Missouri. All that is provided for in this item of the bill.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Idaho [Mr. DWORSHAK].

The question was taken; and the Chair being in doubt, on a division, there were—ayes 90, noes 99.

Mr. DWORSHAK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. CANNON of Missouri and Mr. DWORSHAK to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 114, noes 121.

So the amendment was rejected.

The Clerk read as follows:

#### INDEPENDENT OFFICES

Civil Service Commission: Salaries and expenses, Civil Service Commission (national defense), \$2,032,000.

Employees' Compensation Commission: Employees' compensation fund, \$1,761,644.

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$930,000.

Federal Power Commission: National defense activities, \$17,628.

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics, \$2,000,000.

Selective Service System: Salaries and expenses, \$2,957,500.

United States Maritime Commission: Construction fund, act June 29, 1936, revolving fund, \$496,500,000.

#### FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568. Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255," to "\$611,322."



## SOCIAL SECURITY BOARD

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith, as authorized in title III of the Social Security Act, approved August 14, 1935, as amended, \$30,000,000, which shall be in addition to the amounts appropriated for such purposes in title II of the Labor-Federal Security Appropriation Act, 1946.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 8, line 10, after the period, strike out lines 11 through 20 and insert the following:

"On July 1, 1946, any unobligated balance of the appropriation made in the first paragraph under the heading 'Employment Office Facilities and Services' in title VII of the Labor-Federal Appropriation Act, 1946, shall be carried to the surplus fund and covered into the Treasury, and after June 30, 1946, appropriations shall be made only for grants to States for administration of unemployment compensation and employment service facilities as authorized in title III of the Social Security Act, approved August 11, 1935, as amended, and in the act of June 6, 1933, as amended, known as the Wagner-Peyser Act."

Mr. DIRKSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. Mr. Chairman, I make the point of order that the amendment is not germane, that it is legislative in character.

The CHAIRMAN. In the opinion of the Chair, the amendment is obviously germane. It relates to the same subject as specified in the bill.

Mr. CASE of South Dakota. Mr. Chairman, I make an additional point of order. If I understood the amendment correctly, it makes an appropriation. Has this bill not been regarded as a legislative bill?

The CHAIRMAN. The paragraph under consideration makes an appropriation of \$30,000,000.

Mr. TABER. Mr. Chairman, this, to my mind, is the situation: The amendment is a rescission. The paragraph which is made in order under the rule is an appropriation; therefore the amendment is not in order.

The CHAIRMAN. In the opinion of the Chair, the amendment offered is germane to the paragraph which deals with appropriations for this purpose. The amendment offered also deals with appropriations for the same purpose. In the opinion of the Chair the amendment offered by the gentleman from Massachusetts is clearly germane and the Chair overrules the point of order.

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Has the Chair ruled at any time whether this is an appropriation bill or a legislative bill?

The CHAIRMAN. The Chair does not have to rule upon that question. This is a question with reference to rescission

of funds and incidentally involves appropriations, as does this particular paragraph. The Chair, in a bill of this character, which is not a general appropriation bill, is simply called upon to pass upon the question of germaneness. In the opinion of the Chair the amendment offered by the gentleman from Massachusetts is clearly germane.

Mr. CASE of South Dakota. I do not question the germaneness, but I heard the bill referred to as a legislative bill, and if it is interpreted as a legislative bill, the amendment making an appropriation, of course, would not be in order.

The CHAIRMAN. This certainly is not a general appropriation bill but a bill with reference to rescission of appropriations. The only question which could occur from a parliamentary standpoint would be the question of germaneness. In the opinion of the Chair, the amendment is clearly germane. The Chair overrules the point of order.

Mr. RANKIN. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. As a matter of fact, the rule waiving points of order would apply to any point of order that an amendment was legislation on an appropriation bill.

The CHAIRMAN. The Chair is not at all passing upon that question. In the opinion of the Chair, the only parliamentary point upon which the Chair is required to pass is the question of germaneness.

Mr. CASE of South Dakota. Mr. Chairman, since that question has been raised, may we have a ruling on the question whether or not the rule waives points of order as against amendments or merely waives points of order against the contents of the bill?

The CHAIRMAN. The Chair is called upon to rule only upon the point of order made and cannot rule upon other points of order not pertinent to the pending amendment. The Chair has overruled the point of order.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

Mr. KEEFE. I object.

Mr. MARTIN of Massachusetts. Mr. Chairman, reserving the right to object, do you not think 30 minutes is unfair when the proponents have 10 minutes to start with?

Mr. TABER. Mr. Chairman, I think we ought to let the thing run along for about two or three speeches, and then have a limitation fixed.

Mr. CANNON of Missouri. Then, Mr. Chairman, I will modify my request and make it 45 minutes.

The CHAIRMAN. The gentleman from Missouri modifies his request that all debate on this section and all amendments thereto close in 45 minutes.

Mr. VOORHIS of California. Reserving the right to object, Mr. Chairman, I have an amendment which I shall not offer in case the pending amendment is adopted but which I shall want to offer if it is not adopted. I wonder if I will have 5 minutes to discuss my amendment?

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. KEEFE. Mr. Chairman, I object.

Mr. TABER. Mr. Chairman, reserving the right to object, I think at least one member of the opposition should have as long as the proponent has, and I shall have to object at this time.

Mr. CANNON of Missouri. It is a decided advantage to the House to know what we can depend on, so I modify my request to include the time asked by the gentleman from New York so that any speaker selected on that side may be allowed 10 minutes, and ask unanimous consent that all debate on this section and all amendments thereto close in 50 minutes.

Mr. TABER. I shall still have to object, Mr. Chairman.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The Clerk again read the amendment.

Mr. McCORMACK. Mr. Chairman, the reason I asked for five additional minutes was that due to the fact that all time was taken up in general debate by members of the committee, and properly so. It was impossible for me to obtain time during general debate. I know the Members in charge on either side would have given me the time if I had asked for it, but I knew it would embarrass them, so rather than embarrass them by taking the time away from somebody else I decided to wait until the bill was considered under the 5-minute rule and then ask for five additional minutes.

The amendment I have offered aims to bring back to the States on June 30, 1946, the employment services which are functioning now. We all know the history of the United States Employment Service, that during the war it was necessary in the national interest for the Federal Government to administer them temporarily and, so to speak, take them over. We have made a clear promise to return them, and that promise every one of us from the President down recognizes should be carried out at the right time. The question is, When is the right time in the light of the reconversion program and in the light of the demobilization of those who are in our armed forces?

As far as I can find out, the Dirksen amendment was not considered in the subcommittee that considered the bill before us. If I am mistaken in that respect, I welcome correction by any member of the Committee on Appropriations. As far as I am able to ascertain, the subcommittee reported this bill to the full committee and then, just prior to its being reported out, the gentleman from Illinois offered his amendment, which was adopted. But the fact remains that the matter was not considered by the subcommittee. This is rather unusual, because a subcommittee contemplating



any action always gives an opportunity, if it is feasible to do so, to the agencies affected to get the information and incorporate it in the hearings upon which the subcommittee, and later the full committee, and still later the House, when the bill is reported out, have to act.

It is very apparent from the Dirksen amendment that the gentleman from Illinois does not accomplish what he has in mind. If my amendment is adopted, I shall move to strike out the other portion of the bill relating to this subject, which appears on page 15. If you will read the Dirksen amendment, it is as follows:

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation—

Get that—

for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith.

It does not say "and employment facilities." Remember that the grants we have made before were for unemployment compensation and also to carry out the Wagner-Peyser Act. It is true, as the gentleman from Illinois said, they are more or less lumped together for administrative purposes, but they are two separate and distinct functions. We appropriate the total amount for the activities in connection with the unemployment compensation but in connection with the Employment Service offices under the Wagner-Peyser Act, we appropriate and the States are supposed to appropriate dollar for dollar. Under this amendment, and I am sure the gentleman who drafted it and proposed it failed to recognize the implications, 30 days after it becomes law, if this amendment is adopted, the only one who can go in any get any unemployment service from these agencies in these offices in the States are those who go in for unemployment compensation because the wording says, "unemployment service facilities operated in conjunction therewith." In conjunction therewith—with what? With the administration of unemployment compensation. My amendment corrects that because it strikes out the words "operated in conjunction therewith." Furthermore, the Dirksen amendment might repeal for all practical purposes the provisions of the Wagner-Peyser Act and I specifically protect that in my amendment. What is the difference between the Dirksen amendment and the McCormack amendment? The difference is only a matter of several months. The Dirksen amendment provides 30 days after this bill becomes a law. My amendment provides June 30, 1946. I had convincing reasons which prompted me to offer this amendment. I do not want to see the millions of veterans interfered with in receiving valuable advice in relation to employment in their States. The greater part of demobilization will have taken place by June 30. Therefore, it is a good date from that angle. From the angle of the

millions of workers who have gone out of their States to other States and returned, it ought to take care of that situation since a great part of that reconversion of labor ought to be over by June 30. So I have logical reasons for setting June 30 as the date, reasons consistent with the best interests of the States and consistent with the best interests of the Federal Government.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CARLSON. May I call to the gentleman's attention that we have testimony from State directors before the Committee on Ways and Means who said that this was urgent and should take place immediately?

Mr. McCORMACK. The amendment before the Committee on Ways and Means provides 90 days. Is that not correct?

Mr. CARLSON. Yes; that is the Lucas amendment.

Mr. McCORMACK. The Dirksen amendment provides that this will go into effect in about 30 days. This bill will probably become a law around November 1 and it will be operating December 1, roughly speaking. So the only difference is 6 months between the operation of this amendment and the operation of my amendment. President Truman thought well enough of this subject to incorporate it as item 8 in his message to the Congress of the United States on September 6, and he advocated 1947. That probably might be a little too long, but I cannot take issue with the judgment of the President. However, in the light of the honest state of mind entertained by Members who might disagree as to when it should be returned, and of course all agree that some day it should be, June 30, 1946, tied up with reconversion so far as labor is concerned, and demobilization so far as the veterans are concerned, would be an excellent date. The President was very emphatic. He said:

Hundreds of thousands of men and women will want to seek jobs in towns and cities other than those in which they worked during the war. They may want to return home, or they may want to strike out in search of new opportunities in new surroundings. Millions of veterans also will be coming back in search of peacetime jobs. They will want to know where such jobs can be found, not only in their own areas, but also in other parts of the land.

Then he says:

I urgently recommend that the Congress do not yet return the Employment Service to the States. Ultimately it should be so returned. However, it should be continued under Federal control at least until the expiration of the War Mobilization Act, June 30, 1947.

But the basic thing, he urgently recommends the Congress that it be not returned now. The Dirksen amendment is 30 days. The Lucas amendment in the Senate was 90 days. I honestly believe that June 30, 1946, is a fair and reasonable date. We can then look ahead. We can then, in an orderly way, take care of the return of these services to the several States. I believe it should be returned,

but 30 days would result in harm. Our veterans receive employment advice as to the opportunities, when they are at separation centers in the process of being discharged. This would cause harm to them in receiving proper advice. We want to give them the best advice we can.

My amendment is not hostile to the objectives of the Dirksen amendment. There is a disagreement as to time. I submit that the facts support my amendment and justify the Members in adopting it. It is in no way hostile to the Dirksen amendment, and to vote for it would not be considered hostile to the views of the gentleman from Illinois [Mr. DIRKSEN]. We have got to consider demobilization. We have got to consider reconversion. I think the merits in support of my amendment, having in mind the present situation, warrant the House today in adopting it.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. KEEFE. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, I am glad the distinguished majority leader admits there is an obligation on the part of the Federal Government to return the Employment Service to the States. I am also glad to note that he has assumed his responsibilities as leader in this matter, because yesterday it looked as though the gentleman from New York [Mr. MARC-ANTONIO] was handling the opposition.

Now, let us see what the facts are. I do not pretend to know everything about this, but this particular field is one to which I have devoted myself since I have been in the Congress. I happen to have served the last 6 years upon the Labor-Federal Security Subcommittee on Appropriations that has dealt with this subject for four successive years. So that it does not well become any Member to stand in the well of this House and say this matter has not been considered by an appropriate committee of the Congress. We have had hearing after hearing, as the chairman of that subcommittee, the gentleman from South Carolina [Mr. HARE], so well stated to the Members this afternoon.

Now, who is in the best position to determine when this transfer should take place? It is admitted by all hands that the transfer should be made. Who is in the best position to know the needs of the States? I have before me telegrams from 47 State agencies. I have the report from 48 State governors. It is not a political question. Democrats and Republicans alike are charged with the responsibility of handling this problem of employment and unemployment compensation.

Almost without exception, every single State agency charged with the responsibility of administering this program, including the Governors of all the States of this Union, have petitioned and asked



and demanded that these employment services be returned to the States not 60 days from now, not 6 months from now, but immediately. I have here telegrams from every one of these State agencies. If you would take time to read them, you would readily understand why they ask that it be done.

Mr. Chairman, you must understand the functioning or the relationship between the Employment Service and the unemployment compensation service in this country. Congress itself set up the pattern in the Wagner-Peyser Act, establishing the national policy.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. TARVER. Does the gentleman agree with me that members of the Labor-Federal Security Agency Subcommittee, both Democrats and Republicans, with one possible exception, after all the hearings they have had concerning the subject matter, favor the immediate return of the employment services to the States?

Mr. KEEFE. I think that is a correct statement.

Mr. TARVER. And that the full Appropriations Committee by a vote of approximately 2 to 1 approved this proposition when it was submitted to them?

Mr. KEEFE. That is correct; the vote was 23 to 12, and it was taken in the full Appropriations Committee after a long and considered debate. Let it not be understood that there is any attempt to slip something over on somebody in this matter. We operate the Employment Service. You have the Wagner-Peyser Act setting up the general policy in 1933. What happened? It was a State-operated program under the direction of the Federal Government, and every State could participate, but before they could participate under that program they had to adopt a State system and have it approved by the Federal Government.

In 1935 you passed the Social Security Act and in title 3 of that act you set up a system of unemployment compensation. The two worked hand in hand; they matched together to provide a well-rounded program, first, of employment facilities, and, second, of unemployment compensation. It is true that the Wagner-Peyser act provided for the matching of funds and provided for a total authorization of \$4,000,000. When the thing first started the States matched those funds dollar for dollar, but \$4,000,000 was soon found to be a ridiculously small sum to run a national system of employment services. What did they do? They went to the Comptroller General of the United States and he rendered an opinion to the Social Security Board that due to the integration of the Social Security Act providing for unemployment compensation and the employment services of the country they could use title 3 funds—funds raised by the tax provided for in title 3 of the Social Security Act. Since that time—1936, if you please—both the employment services and the unemployment-compensation program of this Nation have been financed out of funds paid by the employers of this Nation under the tax imposed by title 3 of the Social Security

Act. Those funds ran up to the point that last year we appropriated \$54,000,000 to take care of the employment offices of this country. So it is entirely beside the question to talk about the funds being matched under the Wagner-Peyser Act. They have not been doing that since 1936.

The fact of the matter is there are two schools of thought on this proposition. The State agencies that are at the grass roots, that have to find the jobs and know where the jobs are to be found in the local communities, are the ones who ought to administer these employment facilities. Everybody admits that. You say, "Postpone it until next June 30." We say, in accordance with the request of every State governor who is familiar with the situation and in accordance with the request of 47 State administrators, that it should be done now, and there is no reason why it cannot be done now.

Let us see what happens and let us note the confusion that has arisen in this country. A person is out of employment. He may be a soldier or civilian. These two functions are housed in the same office. He goes to that office to apply for a job and he is told to register. He does register. He then goes over to the unemployment compensation group to file his claim for compensation. After that he goes back to a job interviewer on the other side of the same office where he is exposed to a job opportunity. He then says, "Yes, you are offering me a job but it is not a suitable job." It may be a suitable job under the State law, but the Federal Government steps in through its officials in that office and says, "The job that we have is not a suitable job for this man." Therefore it tells the State to pay out of its funds unemployment compensation. As a result confusion is rampant throughout the land and all we are trying to do is to resolve that confusion and provide jobs now.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STEFAN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there is considerable confusion regarding this employment-service question at the present time, and for the information of the members of the committee I would like to read a letter sent to me by the Governor of my State, Dwight Griswold. He writes as follows:

STATE OF NEBRASKA,  
EXECUTIVE OFFICE,  
Lincoln, October 16, 1945.

HON. KARL STEFAN,  
Member of Congress,  
House Office Building,  
Washington, D. C.

DEAR KARL: I understand that your committee is soon to consider an amendment to an appropriations bill which will provide for the return of the employment service to State administration.

You might be interested to know that at the present time some confusion is arising. The men and women now in the employment service seemingly desire to remain with the Federal Government and in case there is any discussion with an employer as to why men are not available for jobs, the employment-service people seemingly are following the policy of saying that the fault

lies with the unemployment-compensation division, which is under State administration. Some of the fault may be on the part of the State employees who perhaps are inclined to say to people that the trouble with the present set-up is that the employment service is a Federal agency and they are not properly coordinating.

I am not trying to put blame on anyone but I do desire to point out as has been done many times previously that the two agencies must work together. The facts are that in 1941 at the request of representatives of the Social Security Board the Nebraska Legislature amended the State law so that there would be full and complete integration of the unemployment compensation and employment services. At that time it was argued by everyone interested that the two must be administered together. The interested parties were right then and certainly the people are right today who insist that the two agencies be combined. There is bound to be confusion, there are bound to be charges back and forth as long as they function as they are today.

Congress has several times shown by its votes that they are not going to federalize unemployment compensation. The only practical means then to get the two agencies together is to provide for an immediate return to the States of the employment service.

You may use this letter as you see fit, but I thought you would be interested in this information.

With kind regards and best wishes, I remain,

Sincerely yours,

DWIGHT GRISWOLD.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I rise in support of the McCormack amendment, because I believe that it is a fair compromise of the difference between the Dirksen amendment, which is entirely too short in the term, and the recommendation of the President, which probably is too long to suit most of the people. There is one phase of the situation that I would particularly like to call to your attention, and that is this: We have approximately 23,000 employees now in the employment services, of which I am informed 14,000 are new people who were not employed by the States when the agencies were transferred to the Federal Government. No one knows, as far as I have been able to find out, whether those 14,000, if the services go back to the States in 30 days, could be employed by the States under the merit-system requirements imposed under the Social Security Act. It might create very considerable confusion. It might result in the elimination of a number of trained employees in the various State services, thus decreasing the possibility of service to those who are unemployed and to the veterans who are coming back seeking assistance of the employment services. We have heard about the requests of the governors, and it is perfectly natural that the governors and the State officials who operate these agencies would be glad to get back under their wing 23,000 employees who are now in the Federal services. I do not think I have to explain to any Member of Congress why they want the services back. We all understand that. The Federal Government pays the bill, 95 percent. They get the employees. But I prefer to listen to the business interests of the country.



I hold in my hand a report from the Committee on Economic Development, made in August of this year, the chairman of which is Mr. Paul G. Hoffman, president of the Studebaker Corporation. I wish I had time to read the list of outstanding businessmen on this committee. They say this:

Primary public responsibility for assisting the transfer of soldiers and war workers to peacetime jobs should rest on the public employment services. The services must be markedly improved. There is a growing demand that the employment services, transferred to Federal operation shortly after the United States entered the war, now be returned to State operation. This committee believes that the services eventually should again be operated by the States. In the committee's view, this activity should be retained by the Federal Government so long as the Interstate movement of labor in the transition period constitutes an important element in the problem.

Thirty days certainly would not comply with their recommendation. I hold in my hand a telegram from San Francisco, signed by representatives of labor, and of management, and of agriculture, members of a management-labor committee of the Manpower Commission, region 3, held at San Francisco October 4, in which they make much the same recommendation. The facts are that the people who have to use these services, the management and the labor people, do not want these agencies returned at this time. I should like to see them go back to the States at the proper time and I expect to vote for it when that time comes, but I do hope that we will not take the precipitate action called for by the Dirksen amendment, which would cause confusion and delay in the handling of the employment problem, which is growing larger day by day in the transition from wartime operation to peacetime production. We cannot afford to take the chance of having a million men discharged from our Army and Navy every month with no well-functioning employment service available to give them the service which we have promised them and to which they are entitled.

Under leave to extend my remarks I include the following:

WASHINGTON, D. C., October 19, 1945.

Urgently request the deletion of United States Employment Service amendment to H. R. 4407 because it is most untimely. It affects the whole reconversion effort, touches the lives of millions of people, including several million veterans. Any action affecting a problem as important as this should be handled through normal legislative processes with full opportunity for hearings and discussion. If enacted as part of H. R. 4407, it will create a confusing administrative set-up at the national level because funds are appropriated to the Social Security Board for the operation of the Employment Service whereas responsibility for its administration is now vested and is proposed to remain in the Department of Labor. It ignores the Wagner-Peyser Act which vests Secretary of Labor with responsibility of developing a national system of employment services which sets pattern for Federal-State operation. It would prevent continued effective and uninterrupted operation of the Employment Service and result in inadequate Employment Service facilities which are operating at this time with the responsibility for veterans' placement under the provisions

of title 4 of the Servicemen's Readjustment Act. It would do a gross injustice to the personnel who have been engaged in Employment Service activities during the war period. It would disrupt service to thousands of war workers now seeking employment in peacetime activities, as well as millions of veterans who are returning to the labor market. Please do your utmost to secure the deletion of this amendment which is enacted, will throw the entire Service into complete chaos at this extremely critical time.

JAMES B. BURNS,  
National President, American  
Federation of Government Employees.

SAN FRANCISCO, CALIF., October 9, 1945.  
HON. LEWIS SCHWELLENBACH,

Secretary of Labor, Washington, D. C.:

At a regularly scheduled meeting of the regional management-labor committee of the War Manpower Commission for region XII held at San Francisco, Calif., on October 4, 1945, and attended by all of the undersigned. It was unanimously resolved that the committee go on record as urging the retention of the United States Employment Service as a Federal function at least until the national problems of reconversion have been solved. This resolution was prompted by the experience gained by the committee in its dealings with the problems faced by the War Manpower Commission and the United States Employment Service during the period of hostilities. The committee respectfully requests that you be guided by this resolution in considering pending legislation designed to effect the immediate return of the United States Employment Service to the several States.

Philip M. Connelly, president, California State CIO, Los Angeles, Calif.; Daniel F. Del Carlo, Building and Construction Trades Council, San Francisco, Calif.; Alfred E. Hurtung, Regional Director, CIO, Portland, Oreg.; O. B. Dalley, general chairman, Brotherhood of Blacksmith Forgers, San Francisco, Calif., representing labor. Dean Ballard, Distributors Association of Seattle, Seattle, Wash.; P. A. Coxon, Moore Drydock Corp., Oakland, Calif.; William K. Hopkins, Columbia Pictures Corp., Hollywood, Calif.; G. C. Patterson, Southern Pacific Co., San Francisco, Calif., representing management; William Darise, Walnut Grove, Calif., representing agriculture.

Mr. TARVER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I feel that I am justified in pointing out to the members of the Committee of the Whole the position of the Subcommittee on Labor-Federal Security Agency Appropriations, not that the members of our subcommittee claim any greater wisdom than appertains to other Members of the House but because we for several years have had every year a great deal of testimony concerning this particular problem. I hope you will feel that we are in good conscience aiming toward the same objectives in connection with this matter which should be your aim, and that there ought to be some significance in the fact that with the possible exception of one member of the subcommittee who have heard this evidence we are all of the opinion that the employment services should be immediately returned to the States. When I say "immediately" I do not necessarily mean within

30 days. It might be possible that the return could be made effective January 1, 1946, and be accomplished in a more orderly way. If that should be true, then an amendment should be proposed not to this portion of the bill but to the portion carried on page 15, which undertakes to fix the date of the transfer. In that paragraph, instead of providing for transfer on the thirtieth day after the enactment of this law, provision might be made for transfer on January 1, 1946. I think such an amendment would not defeat the objectives which the Committee on Appropriations had in mind in incorporating this language in the bill and, as far as I am concerned, I should be glad to support such an amendment if offered.

The carrying out of the Dirksen provisions, as they have been referred to, but which are the provisions which have been adopted by the full committee by a vote of approximately 2 to 1, will merely mean the carrying out of a promise made in effect by the President of the United States at the time that he took these agencies over, a promise reiterated by the Congress of the United States in connection with the approval of various Labor-Federal Security Agency appropriation bills which have been enacted since that time.

The trouble is that while some of those who are advocating postponing this transfer until July 1, 1946, are in good faith, I am very strongly of the opinion that there are others who never want the transfer to be effected at all. I heard the testimony of Governor McNutt and of Mr. Altmeyer, the Chairman of the Social Security Board, before our subcommittee time after time. They do not believe that the services ought ever to be transferred back to the States. If you give until next July, you give that much more time in which activities can be indulged in which will have a tendency to bring about the enactment of legislation keeping these employment services under the control of the Federal Government permanently. There is no reason why if you desire to keep the promise which has been made to the States you should not do so within the immediate future, certainly not later than January 1, 1946.

I see the able chairman of the Committee on Ways and Means present. I know that his committee had some hearings in regard to this matter as to the possibility of effecting immediate transfer of the employment services to the States without injury to the services. I desire to inquire of him, for the information of members of the Committee, whether or not the Committee on Ways and Means was advised that this transfer could be effected immediately without impairing the effectiveness of the employment services.

Mr. DOUGHTON of North Carolina. As I recall, our Committee on Ways and Means conducted extensive hearings on this subject. If anything was demonstrated at all, it was clearly shown to our committee, as I understood it, that the administration of the Unemployment Compensation Act was being considerably handicapped on account of the two authorities. The State unemployment compensation office and the United States



Unemployment Compensation Authority were in the same building, and they kept separate hours. There was constant confusion there, and the results were that the State unemployment compensation administrators were very greatly handicapped in their work on account of the two administrators.

Mr. TARVER. Does the gentleman believe from the evidence adduced by his committee that the immediate transfer of the employment services to the States should be brought about?

Mr. DOUGHTON of North Carolina. I would not say that the word "immediately" was used.

Mr. TARVER. I mean within a reasonable period.

Mr. DOUGHTON of North Carolina. The testimony before our committee, according to my understanding, was that they ought to be returned as early as is reasonably possible.

Mr. TARVER. Did that testimony indicate that the return could be made within the very near future without inconvenience?

Mr. DOUGHTON of North Carolina. It seems to me the testimony before our committee was that the State authority, the Governors, administrators of unemployment compensation, all being in one accord, thought it should be returned.

Mr. TARVER. May I repeat what I have already said in effect, that if you want to consider postponing the date of the transfer you ought not to do it by adopting the McCormack amendment but you ought to wait until you get to page 15 of the bill where the date of the transfer is proposed to be fixed. You ought, in my judgment, to reject this amendment and adopt the language which has been written by the committee, and when you reach page 15 give consideration to whether or not you will fix a different date for the transfer other than that which was fixed in the bill.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think it is necessary to review the history of these acts, but I just want to call to the attention of the gentleman from Wisconsin that he was only partially correct when he stated that there was no matching of funds, that after the opinion from the Comptroller General and the Attorney General in regard to it there was an appropriation of \$3,000,000, and from that time on up until the time that the Federal Government stepped in and took it over, there was matching of funds on the part of the States of at least \$3,000,000.

It is true that the balance, amounting to about \$48,000,000, was paid out of the Social Security Fund for the administration of this agency. The question of whether or not it shall be postponed or whether or not this is the proper place for the McCormack amendment in the bill I think was very ably answered by the gentleman from Massachusetts [Mr. McCORMACK] when he explained that unless his amendment is adopted there is a serious question as to whether or not this provision will repeal the

provisions of the Wagner-Peyser Act. That must be seriously considered.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Pardon me. I have only 5 minutes.

Let me call your attention to the fact that there is confusion throughout the country. I am just wondering whether or not it is a matter of economy to the Federal and State Governments and whether or not it is in the interest of good government to continue the operation within the States, for this reason: If a man goes in looking for a job and he is told that there is a job within the State comparable to the work he has been following, he must accept that job or he is not entitled to unemployment compensation. However, there are hundreds of thousands of migratory workers who went from one State to another during this wartime period. Witness my own State of Michigan. As a matter of comparison, many people came from the State of Kentucky, for instance. They have worked in Michigan during the war period. They want to return to a job in the State of Kentucky, the kind of work they were doing before they left that State. I understand they are needed in Kentucky, also. If they left the State of Michigan and went down to Kentucky they would not be entitled to unemployment compensation. The result is that they remain in Michigan and accept the unemployment compensation. Let us arrange it so that they will be able to take jobs any place in the United States, and not be supported by the State of Michigan or any other State. This is nothing but a bull whip against labor, to force them to accept substandard wages.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Hook] has expired.

Mr. CARLSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to discuss this with reference to the time when the Employment Service should be returned to the States. I am glad to get the reaction of this committee, which is that we do intend to return it to the States. Then there is just one question: When should we do it?

We had some very extensive hearings in the Ways and Means Committee, as the chairman of our committee stated a moment ago, on this very important subject. Evidence was presented to the committee that immediate return to the States was essential. What is the testimony of those individuals who have to administer this act? I am going to quote only sentence statements from two of them as they appear in testimony before the Ways and Means Committee on H. R. 3736. First, from Claude A. Williams, who is of the Texas Unemployment Compensation Board. What does he say about returning this Employment Service to the States?

I do not believe there is one thing in the world that this Congress could do that would help more to bring about reconversion to peacetime economy than to return the Employment Services to the States—not tomorrow, but, if you could do it, do it today. It

would be the greatest single contribution to reconversion that this Congress could do.

It is most important that this House give consideration to these men who have to operate these agencies back in the States. Here is Mr. Williams who says: "Not tomorrow, but return it today."

There were other witnesses, but I shall refer to only one more, and I am going to read a sentence from his statement. He comes from the home State of the distinguished chairman of the Committee on Ways and Means the gentleman from North Carolina [Mr. DOUGHTON], and is Col. A. L. Fletcher, chairman of the Unemployment Compensation Commission of North Carolina. Listen to what he says:

Under the present system, with little control over claims taking and with no control whatsoever over funds and job placement we will do the best we can because that is the kind of people we are; but if you want a good job done and unemployment kept as low as possible, I beg that you will see to it that the employment service is returned to the States immediately.

That is when he wants it back, and he is the man who is working with it. Colonel Fletcher stated further: "We want it now, and we are ready to take it back and put it to work on the problem you are so deeply concerned about."

Mr. Chairman, you just cannot sit in a committee and hear these statements from the men who come in from the States out in the field working on these problems without being convinced this agency ought to be returned to the States as soon as possible.

There may be merit in the statement, that 30 days is not a long enough time, but the Senate passed the bill which provided for 90 days. Certainly we can agree on a compromise between the 30 days and the 90 days. Let us aid reconversion by immediate action on this important bill. I sincerely hope that the McCormack amendment will be voted down, and that we can enact the legislation contained in the pending bill.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. KNUTSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, you will recall reading in history that Napoleon always reserved the old guard for emergencies. Whenever the Speaker and the majority leader take the floor I recognize the existence of an emergency. I know of no man in the House I would rather have in my corner if I were in a tight situation and in a hard fight than my good friend the gentleman from Massachusetts [Mr. McCORMACK]. He is not only plausible, but he is convincing—and he is a magnificent fighter.

Mr. Chairman, this involves something that has nothing to do with partisanship. Those of us who come from the rural sections north and south recognize the fact that so long as the Federal Government continues to control the employment agencies we are not going to get labor for our farms. Why do I say this? Because as the law is now operated an unemployed individual can file for unemployment compensation and



draw pay for the full time without complying with the provisions of the law, which contemplates that he shall constantly make every effort to obtain a new job. We had Mr. R. J. Thomas, president of the National Automobile Workers' Union, before the Ways and Means Committee when the unemployment bill was being considered. Our distinguished chairman asked him what the top wage was in the automobile industry, to which he replied that it was something like \$1.95 an hour. Said our chairman: "If a man who becomes idle after the war finds that he cannot get more than \$1 an hour would you advise him to take the job?" Mr. Thomas replied: "Most assuredly not." Mr. Thomas, of course, is against turning these agencies back to the States because he knows that when they are turned back the man who got \$1.95 an hour during the war will have to take a job at peacetime wages, or else he may have to pull up his belt. We want to see the highest possible wages and we should also have proportionately high price levels to maintain the national income at the highest possible levels. However, we must not overlook certain fundamental aspects that have an important bearing on the whole problem. I submit there is something wrong when a farmer cannot hire help, even though he offers as high as \$125 per month plus board, room, and laundry. If that situation is not corrected all may go hungry next year.

Of course, I realize that the forces seeking to put the McCormack amendment over are formidable. There is my good friend the gentleman from New York [Mr. MARCANTONIO], who on yesterday led his group in several skirmishes; then there is the distinguished gentleman from Michigan [Mr. Hook] who is also active in putting over the McCormack amendment.

Why are these gentlemen so intensely interested in having the McCormack amendment adopted? Because the CIO wants it. When you vote for the McCormack amendment you are voting the way that the CIO wants you to vote and the way many have been ordered to vote.

Mr. GALLAGHER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, there is a lot of talk about returning the Employment Service to the States, and I have no objection to that if the States are prepared to take over the matter. But you should remember, Mr. Chairman, that there are a lot of soldiers coming out of the Army. These men want jobs, they want to be taken care of, and they are entitled to be taken care of.

I have no objection to returning this to the States when the States are prepared to take it over. How much money have the 48 States appropriated for such purposes?

Are we going to let down the soldiers? Mr. Chairman, I am in favor of the McCormack amendment.

Mr. MARCANTONIO. Mr. Chairman, I rise in support of the McCormack amendment.

Mr. Chairman, I have been waiting throughout this debate to have someone

give away the real reason why this effort is being made to return the Employment Service back to the States. We finally at long last have the motive. It is found in the frank confession made by the gentleman from Minnesota. He told us that the return of this Service to the States is the best guaranty to force workers to accept employment at wages considerably lower than they have been receiving during the war. In other words, his complaint against the USES is the fact that the USES has made efforts to protect the wage standards of American workers.

The gentleman from Minnesota whose attitude toward labor was very aptly described by himself at a Ways and Means Committee meeting when he advanced the bull whip as a solution of labor problems, wants this Service returned to the States so that when an unemployed worker insists on American standards and American wages he will be denied unemployment compensation if he refuses un-American and substandard wages. This Dirksen provision in the bill is part of the entire antilabor drive that is going on in this Congress. Labor exploiters want this provision. They want the Employment Service returned to the States now. Why? So that during this period of reconversion workers who have been laid off will either have to accept low wages or be denied unemployment benefits. This plan is an appendage to the antilabor vehicle that has been let loose in this Congress on the working people of this country and you are not fooling anybody by talking about efficiency in administration as an excuse for transfer of this Service to the States.

Labor knows what the scheme is. It was revealed just now. It was given away by the gentleman from Minnesota who said that if workers do not take the jobs that are offered at the wages offered, they had better tighten their belts. This is a device to exploit American workers. It is part of the plan to use reconversion as an instrument to cut wages.

In other words, unless American workers accept reduced wages they have to starve. That is the game. The working people know it. Talk not about free enterprise when you resort to this ill-concealed scheme to bring about a reduction in the wage levels of the working people of these United States. Do not talk about efficient administration, you are just not kidding anybody.

[Mr. DIRKSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened to the debate here, and I know that when you cry out "Vote" you are all getting tired and high-strung. The latter part of the day is always a bad time to legislate. But this is a vital problem. I give everybody on both sides who have spoken for their favorite amendment due credit for absolute sincerity.

As a member of the Committee on Ways and Means I have heard the testimony. There is no question among the men who have to administer the State

act. They are in favor of the immediate elimination of the Federal branch of this service and its return to the States.

The longer you delay this matter the more you are going to make the service inefficient under the Federal dual system. There is going to be uncertainty in the minds of the employees of the service, both Federal and State. They are not going to do their best work for those who need their services. There is going to be pulling and hauling; they are going to start propaganda, they are going to put the heat on the Members of Congress to Federalize the employment system.

We need the State service and we need it now. It will be less painful to do it now than it will be later. I stand for the Dirksen amendment.

Mr. RABAUT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we are not considering today the report of the Committee on Labor-Federal Security Agency appropriations. Of all the statements to make to the Members, who are educated upon the procedures of the House, I think one of the outstanding was made today, when they told us they have been considering this legislation and considering these problems in 1943 and in 1944 and other years. What committee does not consider its problems every year? This matter has not been considered by any committee this year.

Downstairs in the full Appropriations Committee when this matter came up the distinguished gentleman from Illinois [Mr. DIRKSEN] just took the figure right clear out of the sky. He started off with \$48,000,000. Here we were with the rescission bill, and he walked into the room and read this amendment and said, "And we will give \$48,000,000." Somebody started to scratch his head, and he thought it was \$56,000,000. Then finally they began to look at each other and everybody wanted to compromise, because the grab-bag was on, the holy alliance was reigning, and they settled for \$30,000,000. They do not know where they got that, not one of them.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. No; I will not yield, because I asked the gentleman the same question downstairs and he could not answer.

Mr. DIRKSEN. The gentleman is quite unfair.

Mr. RABAUT. I am not going to say anything about it. I have made my statement, and it is a fact.

You cry "vote!". No; we will not vote yet. You do not like your own logic. It does not make sense; that is why you do not like it. It hurts.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. No.

Mr. KEEFE. I will give the gentleman the facts.

Mr. RABAUT. I do not want them from the gentleman, because I think he is misinformed. You have facts that are 3 years old. You have no facts from the hearings on this bill at this time. You have not had any and no one else in your committee has had any. What you want to do is exactly what the gentleman from New York [Mr. MARCANTONIO]



TONIO] said you want to do. You want to take it out of the war worker. You want to take it out of the man who went to the machine and worked and say to him, "If you went to the heights during the war when you worked by the sweat of your brow and with your brain at your job, now you must return to the old level." You want to return him now to the wages of the low level you hoped you could keep him on. The exposé of it you do not like. That is what you are hiding behind. You are hiding behind a camouflage. I have here testimony from Governor McNutt's office in which he says this is a problem. This is a national problem, just as national now so far as the workers of this Nation are concerned as it was national when you called for the workers of this Nation and when a great President saw the emergency and said, "For heaven's sake, put them together," and no one said a word—not a word. "Then we decided we will join them now for national unity." Of all the things that surprised me today, one of the most surprising was to see the great chairman of the Committee on Ways and Means, who had the bill in his own committee, get up and testify that it ought to be done as soon as possible. Walk out on them, boys—walk out on the workers now and they will take their walk in due time.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the committee did not reach out in thin air and grab the \$30,000,000 figure. As a matter of fact, the basic authorization for this program amounts to \$80,000,000. Under the way in which it has been operated as a Federal agency there is some question as to whether even that much would be enough, but under the rescinding portions of the bill \$32,000,000 were being rescinded, so consequently the gentleman from Illinois, when he made his amendment and it was discussed in the committee, first suggested \$48,000,000. That was the balance that was not being rescinded. He did not reach out and grab it out of thin air. It was a matter of simple subtraction of the authorization that was not being rescinded.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. DIRKSEN. There was not any magic or mystery about the \$30,000,000 figure because in the committee there was the gentleman from South Carolina [Mr. HARE] and the gentleman from Georgia [Mr. TARVER] and the gentleman from Wisconsin [Mr. KEEFE] all of whom have served for years on the Labor and Social Security Appropriations Subcommittee, and out of their own background and experience they thought perhaps that amount of money would be enough, at least for the time being, and if further funds were necessary they could come back for a deficiency appropriation.

Mr. CASE of South Dakota. That is correct. This amount received a good deal of deliberation. In fact, I do not remember any amendment which has been considered in the full Committee on

Appropriations which received longer or more deliberate consideration than this particular amendment when it was considered. During that deliberation it was brought out that under operation by the States it did not cost as much to operate this system as it does under the Federal Government. In my own State of South Dakota, it cost the Federal Government \$334,000 to operate last year while the last year it was operated by the State the cost was only \$90,000. As a result of similar experience in other States and exchange of information thereon in the Committee on Appropriations, the figure of \$30,000,000 was suggested. That is why it was made \$30,000,000. It was not a matter of guesswork. It was not a matter of magic. It was a matter of deliberative consideration.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. McCORMACK. The gentleman from Georgia [Mr. TARVER] practically confessed that he thought the 30 days was too short, did he not?

Mr. CASE of South Dakota. He suggested that an even-end month might be better.

Mr. McCORMACK. The gentleman from Kansas also said the same, did he not?

Mr. CASE of South Dakota. The gentleman from Georgia [Mr. TARVER] suggested that possibly 30 days might be an awkward date and that the end of the month might be better. We can consider that when we come to the other portion of the Dirksen amendment if the committee should feel that way about it. But as for the question involved here as to whether or not the amount of money was grabbed out of thin air or whether this was not a deliberative proposition, I can give you my word that in the Appropriations Committee it was deliberately considered. The \$30,000,000 was agreed upon as a safe figure at the present time and that is why it is proposed in the Dirksen amendment.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. May I point out that the State authorities in my State of Ohio say that they can take this thing back in 30 days very easily.

Mr. CASE of South Dakota. Yes; and the testimony offered by the gentleman from Kansas [Mr. CARLSON] repeated statements made before the Ways and Means Committee to that effect.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. BREHM. Just commenting on the statement of the gentleman from Michigan that the laboring men are being let down, according to that line of reasoning, they are being let down by the governor of every State in the Union as well as by the directors of the unemployment services in practically every State in the Union, and everyone knows that this is not true.

Mr. CASE of South Dakota. Of course, the truth is, the real protection of the laboring man calls for the return of this agency to the States, so that the

reserves built up by the experience records of the industries in which they have had employment shall not be destroyed and dissipated.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. KEEFE. Is not the gentleman of the same opinion that I am—after hearing the distinguished gentleman from New York—that those who follow his argument are in favor of complete federalization of this program?

Mr. CASE of South Dakota. I think so.

Mr. KEEFE. And have no intention of ever returning it to the States.

Mr. CASE of South Dakota. And would accomplish the destruction of the compensation fund that has been built up in the States.

Mr. Chairman, I yield back the balance of my time.

Mr. SAVAGE. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAVAGE. Mr. Chairman, the Employment Service will be returned to the States eventually. Continued Federal support will be given to maintain it. Necessary as a vital arm of defense and necessary as an aid to reconversion and peace, this Congress must assure itself that a strong, well-administered, properly staffed Employment Service continues.

Have we obtained that assurance? Surely the present measure—H. R. 4407—does not offer these guaranties. It contains no provision to maintain standards of operation. It does not even consider the status of thousands of workers who saw through the job of mobilizing American manpower successfully in World War II. It would subordinate the job of placement to that of administering unemployment-compensation funds. By taking this precipitous and ill-thought action, it would place back on the State administration an agency which comes closer to the lives of our citizens than perhaps any other without even setting up standards of performance, despite the continued expenditure of Federal funds.

Although we have won the war on the world battlefields, the problems of dislocation created by our production effort are just now being attacked. Through the employment service millions of returning servicemen will seek to make their job adjustments to civilian life. No one really knows what the magnitude of the problem will be, how persistent the resultant unemployment may be, and the extent to which we can provide full employment for our people. While it is true that an employment service cannot create jobs, it can greatly mitigate unemployment by bringing job seekers and jobs together. It can avoid much useless and ill-directed job seeking, and it can provide to servicemen and former war workers tangible assurance that the Government of this Nation is not indif-



ferent to the problems of millions of job seekers.

This problem can be solved by an intelligent and well-conceived measure which will deal directly with the problems of returning the Employment Service to the States. Responsible Government officials and representatives of labor and management should be called in public hearings. Provision must be made to allocate fairly personnel and property now attached to the existing Employment Service. We must not be stampeded into action in a quest for a return to normalcy and subsequently regret that action. The jobs and lives of too many millions of our people are at stake.

To return the Employment Service to the States immediately would be out of line with much of our other demobilization machinery. The President of the United States has requested us to not return the service to the States for some time yet. It is the desire of the President that the Employment Service be of the greatest possible service to the returning servicemen. We still have thousands of war workers to transport from one State to another, obviously an interstate problem.

The charges are made that under Federal control workers are not required to accept any job except as they choose. That certainly does not apply in my State, because the USES has insisted that each worker accept some job in which he could make a contribution to the war effort.

I am very anxious to see the McCormack amendment adopted.

Mr. VOORHIS of California. Mr. Chairman, it seems to me there is some evidence on this question that should be presented before the House votes.

I have a telegram that was received from the Labor-Management Committee for region 12, composed of representatives of labor, industry, and agriculture for the western region. I would like to read it to the House. The telegram reads:

SAN FRANCISCO, CALIF., October 8, 1945.

At a regularly scheduled meeting of the Regional Management-Labor Committee of the War Manpower Commission for region XII held at San Francisco, Calif., on October 4, 1945, and attended by all of the undersigned, it was unanimously resolved that the committee go on record as urging the retention of the United States Employment Service as a Federal function at least until the national problems of reconversion have been solved. This resolution was prompted by the experience gained by the committee in its dealings with the problems faced by the War Manpower Commission and the United States Employment Service during the period of hostilities. The committee respectfully requests that you be guided by this resolution in considering pending legislation designed to effect the immediate return of the United States Employment Service to the several States.

The Labor-Management Committee for Region XII War Manpower Commission:

Philip M. Connolly, President, California State CIO, Los Angeles, Calif.; Daniel F. Del Carlo, Building and Construction Trades Council, San Francisco, Calif.; Alfred E. Hartung, Regional Director, CIO, Portland, Oreg.; O. B. Dailey, General Chairman Brotherhood of Blacksmith Forgers, San

Francisco, Calif., representing labor; William Darsie, Walnut Grove, Calif., representing agriculture; Dean Ballard, Distributors' Association of Seattle, Inc., Seattle, Wash.; P. A. Coxon, Moore Drydock Corp., Oakland, Calif.; William K. Hopkins, Columbia Pictures Corp., Hollywood, Calif.; G. C. Paterson, Southern Pacific Co., San Francisco, Calif., representing management.

That is the opinion of people who have been in the very middle of this problem all during the period of the war.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. McCORMACK. I hold in my hand a telegram from William Green, president of the American Federation of Labor, showing his position and that of his association against the Dirksen amendment. The Dirksen amendment is not specifically mentioned, but it is opposed to what the Dirksen amendment would do. In part he says:

Congress surely does not want to interfere with labor mobility and hold down national income, restricting employment opportunities and earning ability for workers.

Mr. VOORHIS of California. I am very much obliged to the majority leader.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. MURDOCK. I have the same correspondence that the gentleman has just indicated, from experienced people in the State of Arizona.

Mr. VOORHIS of California. I am obliged to the gentleman from Arizona.

Now it has been contended this afternoon that one of the troubles with the administration of unemployment compensation is because the Employment Service has been federally operated. Personally, I do not believe that is true. Indeed, I believe quite the opposite. I took the trouble while at home to talk to many people in the Employment Service and to go into the figures as to how the unemployment compensation was operating. This was right at the time of VJ-day and when lay-offs were beginning. I found that the people in the Employment Service were trying to do the best job they could, and that whatever criticism might be leveled because somebody collected unemployment insurance when perhaps he should have taken a job that was available, was criticism that properly should be directed not against the Federal policy but against administration in the States themselves.

So it is difficult for me to understand the arguments that are advanced against legislation in this field which would help to maintain the basic buying power for consumer goods of the poorer people of this country in this period of dislocation and it is hard for me to understand why this argument should be employed by the very same people who insist upon a return of the Employment Service to the States in precipitous fashion at the present time. For by such action they are rendering it even more impossible for this body to set any standards for the administration of these laws. Unemployment resulting from the dislocations caused by the war and because of the re-

turn of servicemen is a national problem. It seems to me the people who sent me this telegram and who have been dealing with this problem all the time are correct, that the McCormack amendment ought to pass and that we ought not to give back this Employment Service to the States at least at the present time.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TABER. Mr. Chairman, I wonder if we cannot agree to close debate now.

Mr. CANNON of Missouri. We have made certain commitments on this side; we cannot close debate now.

Mr. TABER. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 5 p. m.

The CHAIRMAN. The question is on the motion of the gentleman from New York.

The motion was agreed to.

The CHAIRMAN. The gentleman from Minnesota [Mr. STARKEY] is recognized.

Mr. STARKEY. Mr. Chairman, I rise to point out a situation that exists in my State that has not yet been touched on. It is my information that the employees of the USES when they were employees of the State were under civil service. By virtue of the fact that they have been off the State pay roll for more than a year they are no longer entitled to their positions on the State pay roll. Therefore, if you pass this bill returning the service to the States within a 30-day period you may find yourself at least in the State of Minnesota facing the situation where the present employees would have to be replaced by inexperienced employees who might be on the civil-service lists in Minnesota. I do not believe this is the time to gamble with any such conditions. It seems to me this is far too important a question to bring in one day and on the same day ask Congress to vote before they have an opportunity to make a thorough check to see what the outcome would be back home.

Mr. Chairman, I cannot conclude without making the observation that the dean of the Minnesota delegation yesterday marveled at and praised the committee for bringing in a gag rule on a question as important as this. He went on further to say—quoting from the RECORDS

As he law now operates, all one has to do is go to the USES office and declare himself without employment and then he immediately begins drawing what might be called rocking-chair compensation.

Everybody knows that is not a fact; everybody knows that the person must be available for employment and must accept that employment if it is offered, and everyone knows that he is not being paid rocking-chair pay; he is being paid because society does not afford him an opportunity to earn a living.

The gentleman also states in his remarks:

As now operated, unemployment insurance tends to keep unemployed people from seeking work so long as they will be paid for not working. We must break that up before it gets to be a fixed habit.

If the gentleman is against part of it, is he against all of it? Why do we not take a stand here? We are either for



unemployment insurance or we are against it. I have reached a conclusion, and I say that we should take at least these 6 months to study the whole situation. Certainly, the country is not going to the bow-wows in the meantime.

If it was necessary to federalize the service in order to get the job done for the war, it seems reasonable to assume that no great harm will be done if we continue that operation and help find employment for the people who have been displaced and for the servicemen who are returning from overseas.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

Mr. TARVER. Mr. Chairman, I ask for a division of the question. The amendment is to strike out and insert and I ask that the question be divided so that the Committee may first vote on the part of the amendment which provides for striking out the language included in the bill.

The CHAIRMAN. As the Chair recalls the rule, a motion to strike out is not divisible. Clause 7 of rule XVI reads as follows:

A motion to strike out and insert is indivisible.

Mr. DIRKSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. Will the Chair finally clarify to the Committee what the situation is and what we are voting on?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The question was taken; and on a division (demanded by Mr. McCORMACK) there were—ayes 85 and noes 135.

Mr. McCORMACK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. McCORMACK and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 101, noes 162.

So the amendment was rejected.

The Clerk read as follows:

#### FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, D. C., unobligated balance.

Public Roads Administration: flight strips (national defense), \$318,008.

#### NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of tem-

porary housing, acquired or constructed under the provisions of this act, of Public Laws Nos. 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.

"(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: *Provided*, That all moneys in said account shall be covered into miscellaneous receipts not later than 2 years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist."

In all, independent offices, \$666,505,849.

Mr. WILSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILSON: On page 9, line 16, after the comma following the word "amended", strike out "\$50,000,000" and insert "\$60,000,000."

Mr. WILSON. Mr. Chairman, I offer this amendment for the purpose of recovering \$10,000,000 of the taxpayers' money. The Administrator appeared before our committee and admitted that the Budget had recommended that \$75,000,000 which they had on hand be returned and that he had suggested to the Committee on Appropriations that a reserve of \$25,000,000 be kept. There was no justification whatsoever for that figure of \$25,000,000. In my opinion, fifteen million is too much. If the Public Housing Agency cannot dispose of these war houses by giving them away, but must have some \$50,000,000 in addition to raise and dispose of them, then we had better turn the liquidation of the National Housing Agency over to some other agency, perhaps the Reconstruction Finance Corporation, and let them handle it. For the life of me, I cannot see why we cannot dispose of these houses at a profit. At least, if we cannot, we can burn them down for much less than \$250 per unit, which figure Mr. Blandford, the Director, says it may take.

Let us adopt this amendment and limit them to a \$15,000,000 surplus and recover \$60,000,000 back into the Federal Treasury.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LANHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was considered by the Committee on Public Buildings and Grounds. I think I state what will be confirmed by other members of that committee when I say that without reference to party affiliation this

amendment represents solely the views of the member of the committee who offered it. As a matter of fact, in the disposition of this temporary housing, it would have cost, but for plans that are being placed in operation, between \$50,000,000 and \$60,000,000. The salvage would be of no value whatever, inasmuch as it would cost from \$250 to \$300 per unit to have this property removed.

The act provided for reserves to take care of such disposition, and \$75,000,000 had been reserved for this and other purposes. Fifty million of that \$75,000,000 of reserves are being turned back. Why? Because a plan has been devised, of which the members of the Committee on Public Buildings and Grounds are fully aware, by which we hope, instead of subjecting the Government to a loss of fifty to sixty million dollars, to recoup some money for the Treasury and dispose of this property at a profit rather than at a loss. It is for that reason they are willing to turn back \$50,000,000 of the \$75,000,000 reserves, and to keep for whatever contingencies may arise merely one-third of that amount, all of which we hope will be returned to the Treasury when this matter is finally disposed of.

I wish to bring it to your attention, and the members of the Committee on Public Buildings and Grounds will bear me out, that we gave very careful and deliberate attention to this matter and that the views which I am voicing here are the views of that committee, with the exception of the member who has offered this amendment.

Mr. MCGREGOR. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. MCGREGOR. I want to concur in the statement made by our distinguished chairman. This amendment was given consideration, not only as an amendment but the figure of \$50,000,000. It was O. K'd by the Committee on Buildings and Grounds, with the exception of the distinguished gentleman who offered the amendment.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. WILSON. I am sure that both my distinguished chairman and my colleague on the committee the gentleman from Ohio [Mr. MCGREGOR], do not want to leave that impression with the committee. The entire committee, except myself, was not for the proposition. There were only five members present at the time, and I have talked with two or three members and they are with me on it. So, do not leave the impression that the entire committee was back of your position.

Mr. LANHAM. The gentleman's memory is at fault when he says there were only five members present. We had quite a good attendance of the committee, and no objection was voiced except by the gentleman from Indiana. Here we are turning back \$50,000,000 of reserves where it had been supposed that \$50,000,000 or \$60,000,000 would have been expended in the disposition of this temporary construction. We are reserving only \$25,000,000, all of which, through a plan with which the members of the committee are familiar, we hope will be re-



turned to the Treasury eventually. We will turn this whole proposition into a profit instead of a loss and we will turn back the \$25,000,000. But there must be some reserves for contingencies that will arise under this temporary war act in disposing of this property.

I certainly think that the amendment should be overwhelmingly rejected.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. WILSON].

The question was taken; and on a division (demanded by Mr. WILSON) there were—ayes 21, noes 125.

So the amendment was rejected.

The Clerk read as follows:

EXECUTIVE DEPARTMENTS

[Non-War]

DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: Page 11, line 4, after the figures "\$1,649,790", strike out the comma, insert a period and strike out the balance of the paragraph.

Mr. ANDERSON of California. Mr. Chairman, I have offered this amendment so that the House may know exactly what is occurring in the provision that is contained in the bill on page 11. After full consideration by the subcommittee on Agriculture Appropriations last year the House indicated that it wished to liquidate the emergency guayule rubber project but to liquidate it in an orderly manner. If this bill passes containing the provision on page 11 as it stands now and without my amendment it means that approximately 30,000 acres of growing guayule shrub with a potential yield of 17,000 tons of rubber will either be plowed under or piled up in windrows and burned. I should like to have you consider this amendment from a common-sense, dollars-and-cents point of view. In order to obtain the most return from the money that has been invested by the Government in this project, my amendment should be adopted and the entire project liquidated in an orderly manner. If that is not done, it is going to cost the Government more to liquidate the project between now and the 30th of June of next year than it will to carry forward the project as originally planned. On page 747 of the hearings the gentleman from Missouri [Mr. CANNON], chairman of the Deficiency Subcommittee, made this statement, and received this reply:

Sometimes it seems it is more expensive to liquidate these projects than it is to initiate them.

Mr. GRANGER. I believe that is true as to this project.

I want the House to consider this amendment fully and if they desire to liquidate this between now and the 30th of June of the coming year, then vote my amendment down. If, however, they desire to obtain the highest amount of rubber that is available, then support my amendment.

I have read the hearings carefully and I must say that the Forest Service does not make a good case for Government management of a project of this kind. I do feel, however, that there is a future in the production of guayule in this country but I believe it should be carried on under a system of private enterprise and not under Government management.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Georgia.

Mr. TARVER. The gentleman realizes that the hearings disclose it would require \$688,000 under the gentleman's plan to recover \$168,000 worth of rubber.

Mr. ANDERSON of California. That is only if the project is liquidated between now and the 30th of June. The gentleman's charge will not be substantiated by the hearings, for if he will read them, he will find testimony to the effect that if this project is liquidated in an orderly manner as recommended by the gentleman's subcommittee last year we shall recover in the neighborhood of 17,000 tons of rubber from the presently growing 28,000 acres.

Mr. TARVER. That would depend upon what the gentleman might consider "an orderly manner." If it is liquidated in the manner designated in this bill, the Government will save more money than it will if the Congress adopts the gentleman's plan.

Mr. ANDERSON of California. That may be the gentleman's attitude but it is not my attitude. A careful and earnest reading of the hearings will convince the membership that my amendment should be adopted.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. H. CARL ANDERSEN. Is it not a fact that since the deficiency subcommittee put this particular liquidation provision in this paragraph it takes away from the regular subcommittee on agriculture appropriations the opportunity of fighting against such liquidation?

Mr. ANDERSON of California. That is true and if the gentleman's subcommittee which is headed by the able gentleman from Georgia had made an adequate study of this subject I believe they would not favor liquidation by June 30.

Mr. H. CARL ANDERSEN. Is it not a fact that if the bill is passed with this paragraph containing provision for liquidation, it simply means we are turning over to the British and the Dutch the right forevermore to set the price for all the rubber consumed in this country?

Mr. ANDERSON of California. Yes. We will be plowing under and burning up any insurance we might now have.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amend-

ment offered by the gentleman from California.

Mr. Chairman, this has turned out to be one of the most ill-considered projects of the entire war. Of the few mistakes the committee made, this was our greatest.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Has not the gentleman always been at variance with the rest of the subcommittee relative to this particular project?

Mr. CANNON of Missouri. No; on the contrary, two subcommittees, the Agricultural Subcommittee and the deficiency subcommittee, have repeatedly indicated their opposition to the public expenditure of money for this purpose.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia, the chairman of the Subcommittee on Agriculture.

Mr. TARVER. The gentleman will recall that our Subcommittee on Agricultural Appropriations in connection with the 1945 bill attempted to bring about liquidation of this project, and was reversed by action of the House?

Mr. CANNON of Missouri. Yes. The Agricultural Subcommittee considered the project at length and decided it was a mistake to waste any more money on it. The Subcommittee on Deficiency Appropriations also decided unanimously, after a separate investigation, that further expenditure for this purpose was a waste of money. The Committee on Appropriations, to which the subcommittee reported, decided it was a waste of money. We brought out the bill, and the House, unfortunately overpersuaded by the rubber advocates for that section, overruled the Appropriations Committee, with the result that the loss is now approaching \$40,000,000 and increasing every day the project continues to operate.

It was testified before our committee that in order to secure rubber worth \$168,000 they were planning to spend \$688,000. Recent reports from the rubber areas in Java and Borneo show that the rubber facilities over there have been little injured, if at all. They have large quantities of raw rubber on hand. Their groves are in good condition.

The small amount of guayule rubber produced has cost something over \$1.50 a pound. It was testified that it is deficient in every respect except one to natural rubber which can be bought in normal times for 7 or 8 cents a pound.

This language is incorporated in response to a suggestion from the Department of Agriculture that it required a definite indication of congressional intent. I hope the Members will read the hearings on this item. They will convince anybody that this ought to be stopped at once, and that the sooner we stop it the sooner we will stop wasting money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ANDERSON].



The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 76, noes 78.

Mr. ANDERSON of California. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ANDERSON of California and Mr. CANNON of Missouri.

The Committee again divided; and the tellers reported that there were—ayes 77, noes 82.

So the amendment was rejected.

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 11, line 10, after "areas", strike out "until June 30, 1946."

Mr. POAGE. Mr. Chairman, I believe we are discussing one of the most misunderstood problems that has come before this Congress in a long time. I know statements have recently been made by gentlemen which clearly indicate that those who made them do not understand the purpose of the guayule program. This program was not instituted as a program to make money for the United States Government. No one proposing this program thought the Government should go into the business of producing rubber just to see what profit we could make off it. Rather, we felt that we should invest public funds in this program to provide for the defense of America, just as some 6 years ago there were those of us who voted to fortify the island of Guam when there were others on this floor who said that there would be no monetary return therefrom, and, therefore, they would vote against it. There is no more reason to expect a profit from this project than there was to expect a profit from preparing for national defense, for this was, and is, a part of the national-defense program.

The purpose of providing guayule rubber was to make possible a supply of natural rubber in the United States in time of war. We have done well with our synthetic program. It has rendered a great service at a cost of almost a billion dollars to the United States. But we have not devised a synthetic rubber yet that will make a suitable substitute for natural rubber in the fabrication of the larger tires. It is still necessary that we have some natural rubber with our synthetic if we are to put our military vehicles on wheels and carry on a war. Maybe we will not have another war. I hope not, but we are going to continue to spend billions for an army and navy because we fear that there will be another war. We agree that if needed for defense we must even draft our sons. Yet we hesitate to leave the door open for further consideration of this project. That is all this amendment asks. It simply allows the Appropriations Committee to continue the experimental work.

The chairman of the Committee on Appropriations has said that we can get unlimited supplies of rubber from the Dutch East Indies. That may be true, when and if we get in there. The Dutch East Indies are still in the control of hostile hands, and nobody knows when we are going to get there. I assume

sooner or later we will get there, and that we will get some rubber from them. But I wonder if the chairman of the Committee on Appropriations, who told us 18 months ago that within 6 months from that date we would not need any natural rubber, can give us any guaranty that in the years to come we will not face the same situation we faced during this last war. All of our military leaders have told us that we should prepare for the same eventuality, and long ago General Eisenhower suggested that we needed a natural rubber program in the United States. Guayule is the only program that so far has offered any hopes of providing natural rubber in the United States.

The amendment I am offering does not do anything except say, "Go ahead and liquidate it, but leave the door open for further consideration of the research program." I think that we made a mistake when we defeated the Anderson amendment, but the House voted otherwise. My amendment says, "Go ahead and liquidate the program, but keep the experimental work so that the Committee on Appropriations can, if it sees fit, next year continue the experimental work." That is all we are asking, simply that you let Judge TARVER's committee—and I do not think anybody here would say that that would mean wild extravagance of money for experimental work—have the opportunity to continue experimental work. If you do not adopt this amendment, then we will have written into law a prohibition against the continuation of any experimental work on this crop after the last of next June. Does anyone believe that we can learn all there is to be learned in that time? This very bill carries vast sums for further experiments on atomic bombs. Are we to develop a bomb and then find we have no tires for our planes to carry the bombs?

Yet, you can't make large airplane tires out of synthetic rubber, and guayule rubber is the only natural rubber you can grow in the United States.

You say you want this industry in private hands. So do I, but how can you expect to get it into private hands if you simply plow it up and stop all research? The Poage bill was intended to put it in private hands. I would not contend for one minute that the Department of Agriculture is running this thing efficiently. Unfortunately the Government generally does things the expensive way and apparently the Forestry Service has presented an even worse case than actually confronts us. I know that those costs which they presented were discouraging to the Committee on Appropriations. Their costs were too high. Their costs were many times the cost of private industry. But are we going to let the extravagance of a Government department prevent us from carrying on a program of research on which our very national security may depend? Let us make it possible for our people to show what we can do. We are growing the one crop that we have found it possible to grow in the United States to provide natural rubber. Let us not close the door on all further knowledge about this crop.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope the Committee will bear with me just one moment. I am sure you will recall in connection with the 1945 agricultural appropriation bill our subcommittee brought before you a proposal to abandon the guayule rubber project, which proposal you rejected, deciding that it should be continued under the then existing conditions. Thereafter, the Bureau of the Budget proposed in connection with the 1946 bill to begin the liquidation of the project. Our subcommittee decided against it, feeling it was bound by the action which had been taken by the Congress on the 1945 bill and that until Congress decided it should be liquidated it was our duty to provide for it, so we did provide for it in connection with the 1946 bill.

If you adopt the amendment offered by the gentleman from Texas [Mr. POAGE], I think it will be the viewpoint of our subcommittee that it should make provision in future agricultural appropriation bills for the continuation of the project. The question is, of course, one for you to determine. I think you ought to examine the facts as to the history of this unfortunate project before you adopt the amendment offered by the gentleman from Texas. Look at the hearings on pages 752 and 753 and subsequent pages. There you will find you have already spent approximately \$40,000,000—\$40,000,000, gentlemen, on this guayule project in California. How much rubber have you recovered? Eleven hundred tons. What is the value of the rubber you have recovered? \$650,000 or \$700,000. That is the return in rubber from the expenditure of \$40,000,000 of the taxpayers' money. It is a question for you to determine. If you want continuation of the expenditure of the people's money in a project of this sort, when there is no necessity for it and no possible chance of your building up a guayule rubber industry in this country, then adopt the Poage amendment and our subcommittee, of course, will consider that as instruction from you and we shall continue to make appropriations for this project in connection with future bills. But in my judgment you will not be doing a wise thing in doing so. I certainly feel that the decision should be to immediately liquidate the project instead of to continue it for a while in order to produce a little bit of rubber at very exorbitant cost. And I hope that you will not decide to continue it. I trust that the amendment will be rejected.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I certainly think that certain corrections should be made in some of the things which have been said. I have no means of saying what the Committee on Appropriations would do or what instructions they would take from a vote on this amendment. But this House should vote on whether or not they wish to continue a program to the point intended when it started. It was well known to all Members of this House that it was impossible to get rubber out of this program until the guayule shrubs had grown to the point where they pro-



duced rubber. They are just beginning to come to that point now.

We have 43,000 acres of guayule planted in the United States. It would be a matter of absurdity to say today that we should scrap that entire amount. The United States entered the war without an adequate supply of live rubber. We are talking about live rubber—not synthetic rubber. I think the records in the postwar period will show that we were so near the vanishing point on live rubber that it was a very serious matter. General Eisenhower, when he was Major Eisenhower, long before the war, recommended a project of this kind. All that the gentleman from Texas [Mr. POAGE] asks, as chairman of a subcommittee of the Committee on Agriculture, given the job of finding out about this program, is that you should not say that this program shall be liquidated by June 30, which would immediately say to the Forestry Service that they have to tear up these fields and burn the shrubs. All the gentleman asks is that you shall not say it be liquidated by June 30, but be permitted to be liquidated in an orderly, economical fashion.

I ask for a favorable vote on the amendment.

Mr. HOOK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if I remember correctly, a number of years ago the guayule rubber project came before the Committee on Agriculture when I was a member of that committee. This guayule project dates back to the last World War. It was a failure then. While we were studying this program there was a committee sent down to Mexico to study the guayule program. It came back with an adverse report. Guayule rubber plants grow wild in Mexico.

Then this program came up. At the time the guayule program was being considered while I was a member of the Committee on Agriculture, I voted against it. I could not see it. But I had no idea we were going to spend \$40,000,000 and only get back \$650,000 worth of rubber. I knew it was bad but I did not think it was quite that bad.

So if it is a matter of economy that we want, here is one place where we can certainly economize. I understand that after 2 years they can get some rubber out of a guayule plant but not very much. It takes about 6 years to get rubber at all out of it. Now this program has been going on for some time and they have received but very little rubber so far. I think it is about time we liquidated this thing and got it off the books.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. JOHNSON of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it was said by one of the previous speakers that there has been much misinformation given on the floor on this rubber subject. I second that statement. Much misinformation has been given.

I have followed this very carefully for the past 5 years. I have made trips. The only committees I ever heard of that ever made any report on this matter to the Congress was when General Eisenhower, then Major Eisenhower, recom-

mended, 14 years ago, that we plant and keep as insurance at least 400,000 acres of guayule rubber plants against the day when the Far East might take away our supply. We did not follow the advice of Major Eisenhower at that time.

The only other committee I ever knew of going to Mexico was a committee headed by the gentleman from Texas [Mr. POAGE], including the gentleman from Oklahoma [Mr. WICKERSHAM] and myself. We went to Mexico less than a year ago, and there we viewed not only the wild shrub but shrubs grown with American capital by men who had followed this in California. We saw a plantation of 20,000 acres domesticated in Mexico, and cultivated for the first time, out on a desert where there is less than 1 inch of rainfall. We have a great deal of country in the South that is comparable to that land. I have no interest in rubber up in my district, because we cannot raise it. But there are great sections in this country that can raise it very profitably. We have the information that they expect to produce guayule rubber down there through the use of private capital and that they can produce it at a price of 10 cents a pound. Natural rubber was processed from the wild shrub at Salinas, Calif. I have heard a lot about the cost of this rubber being a dollar and a half a pound. When this experiment was set up we were in dire need of rubber and the supply situation looked terribly black. We did not know whether we were going to get synthetic rubber or not. So the Department of Agriculture, through the Forestry Division, was instructed to plant 200,000 acres of this guayule shrub. Then they were cut down to less than 40,000. They had already built housing because they had to have a lot of hand labor and they had to have houses to take care of the Mexican nationals who were brought in. Then they were cut back to 32,000 acres, but all the cost was charged to the guayule experiment carried out as a national defense measure.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. BREHM. Would it not be possible for private enterprise to take over the existing plantations?

Mr. JOHNSON of Illinois. Yes; and we have a bill pending now looking to that very end.

Mr. BREHM. Would it not be possible to have this turned over to private enterprise rather than to be liquidated as provided in the bill?

Mr. JOHNSON of Illinois. Absolutely.

Mr. BREHM. What does the gentleman mean, then, by saying that this would all have to be destroyed or plowed under?

Mr. POAGE. It would have to be destroyed if they carried out the requirement to finish the liquidation in this fiscal year.

Mr. JOHNSON of Illinois. The gentleman is correct.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Miss SUMNER of Illinois. The gentleman's statements impress me very much that we have had a great deal of

misinformation. What is the source of the misinformation? Whence does it come?

Mr. JOHNSON of Illinois. I have my own ideas about that but I had better not state them here.

We have been told that we are getting rubber from the East Indies, but I read in the paper the other day where they found they had destroyed 25,000 hevea rubber trees because they needed the ground to grow food for the people.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. H. CARL ANDERSEN. And it was furthermore testified before our subcommittee that it would be approximately 18 months before any appreciable amount of rubber could be obtained from the former sources.

Mr. JOHNSON. Absolutely.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. For a brief question, but my time is nearly up.

Mr. HOOK. Does the gentleman know who owns the process for making this rubber?

Mr. JOHNSON of Illinois. Yes; the United States.

Mr. HOOK. When did they take it over?

Mr. JOHNSON of Illinois. A little over 3 years ago, when we bought out the Inter Continental Rubber Co.; and that is the same American capital that went into Mexico and are successfully growing the shrub down there and selling the rubber to the United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. O'NEAL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is certainly time that Congress and the American people should begin to face facts, and to decide what they are going to spend or how they are going to spend it.

I congratulate the gentlemen who have promoted the guayule program from the beginning. They are men who stand so high in the estimation of this Congress, such as the gentleman from California [Mr. ANDERSON] and the gentleman from Texas [Mr. POAGE] that it is very difficult for Congress to say "No" to those gentlemen and I regret very much that I must stand here opposing them; but there is less sound business and less logic for doing what is requested by the amendment than probably there is in anything else that has been suggested today. I do remember that the guayule project was started with much skepticism on the part of everybody but we thought we should try to do something in the war emergency in order to provide a natural supply of rubber.

Mr. Chairman, since that time we have poured out millions and millions of dollars for synthetic rubber. Also we have synthetic-rubber production today running into such large quantities that we cannot utilize what we make. It is of very good quality, too.

Mr. Chairman, I want to read a letter dated September 5, 1945, addressed to the Honorable Clinton P. Anderson, Secretary of Agriculture, and signed by Mr.



R. S. Wilson, Director, Rubber Programs. This letter reads as follows:

WAR PRODUCTION BOARD,  
Washington, D. C., September 5, 1945.  
Hon. CLINTON P. ANDERSON,  
Secretary of Agriculture, Department of  
Agriculture, Washington, D. C.

DEAR MR. SECRETARY: This will acknowledge receipt of Mr. Brannon's letter dated August 29, in which a request is made for an expression of opinion by the War Production Board concerning the emergency rubber project in its relation to the over-all rubber situation.

It is understood that the emergency rubber project was authorized by the Congress in order to make available to the Nation natural rubber from within our continental limits or from within the Western Hemisphere during the period of national emergency which appears to be approaching an end due to our victories in Europe and the unconditional surrender of Japan. All recent Government actions are based on the premise that the fighting is over. Therefore, natural rubber from the Far East will be available as rapidly as shipping space is provided for any accumulations that may be found or from tapping operations for which plans have been made to provide natural rubber as quickly as possible.

I consider that the emergency rubber project was valuable insurance, but that, fortunately, through the earlier termination of the war, we did not have to avail ourselves of the insurance. Therefore, insofar as the project is concerned at this time, it is my opinion that the insurance is no longer needed and that the taxpayer should be relieved of paying any further premiums. In other words, I recommend that the project be liquidated as rapidly as possible and with the least expenditure of additional funds.

However, the future national defense of this Nation should not be overlooked. Therefore, until the day arrives when no natural rubber is required for the manufacture of any rubber product of adequate quality, I recommend that there be continued research and development on a moderate scale of plants, vines, shrubs, and trees possessing natural rubber and capable of being grown within the continental limits of the United States.

Sincerely yours,

R. S. WILSON,  
Director, Rubber Programs.

We have left here \$4,429,000 and if you will turn to page 11 of the bill, you will find the following language:

And for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

The amount of \$4,429,000 is left to continue experimentation. With Congress in session to consider from a legislative standpoint what it wants to do in the future, certainly it is proper at this time to continue appropriation which was made as an insurance proposition with reference to the subject of rubber and stop the expenditure of part of it; then if some legislative committee wants to go into the question of future experimentation for future necessities, we can do that. There is no logic in continuing this appropriation, especially when the Director of the whole rubber program recommends that it be discontinued at once.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. TABER. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGEL].

The question was taken; and on a division (demanded by Mr. O'NEAL) there were—ayes 60 and noes 101.

So the amendment was rejected.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 46, noes 156.

So the motion was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).  
Office of Foreign Agricultural Relations, salaries and expenses.

Agricultural Research Administration:  
Bureau of Animal Industry, salaries and expenses (meat inspection);

Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops);

Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine).

Forest Service:  
Salaries and expenses (national forest protection and management);  
Forest-fire cooperation.

#### DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees' Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;  
Patent Office, salaries;  
Weather Bureau, salaries and expenses.

#### DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division of Geography, \$20,000.

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$5,000,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: On page 13, line 8, strike out "\$5,000,000" and insert "\$2,000,000."

[Mr. VOORHIS of California addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the handling of these interned Japanese has been a difficult problem from the beginning. There were many complications, some of which have been dissipated and some of which have been aggravated. We have been

liquidating the agency as rapidly as possible, and we have returned home or located in other parts of the country most of the Japanese of American citizenship who are to remain in the United States. The recalcitrant and the irrecconcilables are to be returned to Japan.

This part of the appropriation to which the gentleman's amendment has no relation to the care of those Japanese who remain in the United States, is being used exclusively for the maintenance and repatriation of the Japanese we are sending back to Japan. The purpose in making this cut is to expedite their return.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. VOORHIS of California. I think my amendment is the one that will do that, may I say to the gentleman with all due respect, because I understood the testimony in the hearings, which I have read by the way, was to the effect that if those people who are being sent back to Japan were sent there immediately or in the very immediate future, \$2,000,000 savings could be made, but the committee has cut \$5,000,000. That is why I asked that it be \$3,000,000.

Mr. CANNON of Missouri. As the report indicates this cut was made solely in the funds to send Japanese back to Asia. We are following here the same plan we are using to expedite demobilization. We are speeding up demobilization by reducing the amount of money available for maintenance and pay of the armed forces and speeding up the return of the incorrigible Japanese to their own country in the same way. We are already getting results. The representatives of the project when they returned to their departments telephoned to us that they were arranging for an earlier return of these Japanese to Japan. The bill as here written is already getting results. I trust that the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The amendment was rejected.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have listened to several speeches advocating economy made this week by the chairman of the House Committee on Appropriations. I am particularly gratified to observe his support of this provision to recapture \$5,000,000 of the funds appropriated for the use of the War Relocation Authority. On June 8, 1945, when the national war agencies bill was under consideration, I offered an amendment to reduce the appropriation of WRA by \$5,000,000. However, at that time the gentleman from Missouri [Mr. CANNON] opposed my amendment, and declared:

The committee, after careful consideration, is convinced that the amount proposed is the irreducible minimum with which it [relocation] can be done. Liquidation is proceeding with efficiency and dispatch. The program should not be interrupted or disorganized. I ask that the amendment be defeated.

It was defeated by a vote of 113 to 95.



Mr. Chairman, it is timely to note, in the report of the Deficiency Subcommittee on this bill this comment on the War Relocation Authority:

The committee feels that liquidation should proceed more rapidly and that those responsible therefor are not proceeding to liquidate as speedily as they should; that there is too much of a disposition to confer and dilly-dally. Thus convinced, the committee is recommending a rescission of \$5,000,000 of the funds available to the War Relocation Authority.

The ending of hostilities caused no particular change in the WRA program, because Major General Pratt, on December 17, 1944, revoked the exclusion order involving Japanese on the west coast. It is obvious that my former amendment is now approved by the chairman and his Deficiency Subcommittee, and I commend him for his belated conversion to the cause of economy in this particular instance.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Solid Fuels Administration for War:  
Salaries and expenses, \$275,000, and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries," Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000."

#### BUREAU OF MINES

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

Mr. WHITE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are dealing here with one of the important policies of our Government, a program that affects industry, reconversion, and the tax income of the Treasury.

When the public lands, comprising the national forest and grazing districts, were withdrawn from settlement many of the mineralized areas in the Rocky Mountain States were left inaccessible and undeveloped.

For years the Members of Congress representing the Western States have been trying to get the departments of the Federal Government to assist in opening our undeveloped mining resources by the construction of the necessary mining roads. Little attention has been paid to the efforts of the western Congressmen and many of the undeveloped mineral deposits have been left neglected and unutilized with the result that the war found this country short of the strategic minerals—copper, zinc, lead, and tungsten. The Government has, through the Metal Reserves Corporation, gone into foreign countries and

purchased over a billion dollars in strategic metals, money spent in foreign countries to purchase ore and metals with taxable income flowing into the treasuries of foreign governments.

We are informed that the foreign purchase of zinc totaled \$221,000,000, copper totaled \$663,410,000, lead totaled \$145,000,000, while the departments were making a belated attempt to uncover and utilize isolated deposits of the metals in the Western States.

These belated efforts of the Federal Government departments opened up and brought into production large amounts of vitally needed strategic metals. Precious tungsten, which previous to the war had come largely from China at around \$2 per pound, was found by the diamond drill exploration of the Bureau of Mines in the famous Yellow Pine district in Idaho. Important lead and zinc deposits were also discovered.

If there is any program of the Government that should be continued as a means of building up new industries, providing work for returning veterans and opening up new sources of tax revenue, it is the program of uncovering our western mineral resources and making them accessible for development by the construction of the necessary mine access roads in mountainous sections of the Government lands of our Western States.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 14, after line 9, insert the following:

"Government in the Territories;  
"Emergency funds, Territories and island possessions (national defense), \$332,000."

Mr. CANNON of Missouri. Mr. Chairman, this item is in process of liquidation. We have had the matter up with the Bureau of the Budget and they agreed on a rescission of \$322,000. This cut will not interfere with the program. No question is involved here except the question of returning additional money to the Treasury beyond that originally estimated, and I trust the amendment will be adopted.

Mr. MANSFIELD of Montana. Mr. Chairman, a parliamentary inquiry. May we have the amendment again read?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There being no objection, the Clerk again reported the amendment offered by Mr. CANNON of Missouri.

Mr. CANNON of Missouri. Mr. Chairman, I may say that we expect eventually to have an additional rescission from this source of \$490,363, but at this time we feel justified in confining the rescission to \$332,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The amendment was agreed to.

The Clerk read as follows:

#### DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$2,480,000.

#### DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

United States Employment Service:

Employment office facilities and services: The unexpended and unobligated balances, on the thirtieth day after the date of the enactment of this act, of appropriations made in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall, on such thirtieth day, be carried to the surplus fund and covered into the Treasury.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 15, in line 7, after the word "appropriations", insert the following language: "excluding the appropriation of \$7,791,134 to carry into effect the provisions of section 602 of title 4 of the Servicemen's Readjustment Act of 1944, Public Law 346, Seventy-Eighth Congress."

Mr. DIRKSEN. Mr. Chairman, the amendment is quite agreeable. It was omitted by inadvertence.

Mr. RANKIN. Mr. Chairman, I am willing to submit the amendment without argument, but I would offer the following explanations of the amendment:

No. 1: The Wagner-Peyser Act of 1933 which established a system of employment offices also provided for the creation of a veterans' service. The language is found in section 3 (a) of that bill which provides for maintaining "a veterans' service to be devoted to securing employment for veterans."

No. 2: The GI bill of rights—section 6 (a)—also creates a Veterans' Placement Service Board with the Administrator of the Veterans' Administration as the chairman.

No. 3: The GI bill of rights contemplates coordination between the Veterans' Placement Service Board and State operation of United States employment offices as indicated by the language in section 601 which provides that—

The United States Employment Service shall assign to each of the States a veterans' employment representative \* \* \* each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he is assigned.

It is abundantly clear that the Veterans' Placement Service Board and its operations were geared to State operation of USES.

No. 4: The Veterans' Placement Service Board was given an independent status as evidenced by section 600 (a) of the GI bill which provides that the Board was created to cooperate with and assist the United States Employment Service as established by the provisions of the act of June 6, 1933. This, the Wagner-Peyser Act, which created em-



ployment offices to be administered by the States.

No. 5: Further evidence of the independent character of the Veterans' Placement Service Board is found in the fact that in section 605-A of the GI bill it is provided that—

The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title \* \* \* sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service \* \* \* the War Manpower Commission shall from its current appropriation allocate and make available such funds to carry out the provisions of this title during the current fiscal year.

No. 6: The Labor Federal Security Appropriation Act of 1946 approved July 3, 1945, Public Law 124, Seventy-ninth Congress, page 23 carried language which provided that out of the funds made available for employment office facilities and services "\$7,791,134 shall be for use in carrying into effect the provisions of title IV, section 602 of the Servicemen's Readjustment Act of 1944."

No. 7: The language which I am offering merely restores to the present bill the same language carried in the 1946 regular appropriation act for this purpose and therefore safeguards placement of veterans in the same manner and to the same degree that Congress provided in the regular appropriation act.

(Mr. RANKIN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word. I wonder if we cannot expedite action on this bill. I am wondering if a unanimous-consent request to dispense with further reading of the bill might be agreeable.

Mr. TABER. And that amendments may be in order to any part from this point on?

Mr. McCORMACK. Yes.

Mr. TABER. I would agree to that.

Mr. McCORMACK. Mr. Chairman, after conferring with the chairman of the committee, I ask unanimous consent that further reading of the bill be dispensed with and that it be considered as read and printed in the Record at this point, and that it be in order for amendments to be offered to any part of the bill from this point on.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The remainder of the bill follows:

#### WAR DEPARTMENT

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, \$49,408,972.

In all, title I, \$2,956,629,045.

#### Miscellaneous provisions, title I

#### REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

#### EXECUTIVE OFFICE OF THE PRESIDENT

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.

#### INDEPENDENT OFFICES

United States Maritime Commission: Construction fund, act June 29, 1936, revolving fund, \$325,900,000.

#### FEDERAL WORKS AGENCY

Public Roads Administration:  
Strategic highway network, \$1,484,363.  
Access roads, \$3,076,845.

#### REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

#### EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

Alien Property Custodian, \$500,000.

War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

#### INDEPENDENT OFFICES

Smaller War Plants Corporation:

Administrative expenses, \$1,550,000, and the limitation under this head on the amount for penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000."

United States Maritime Commission:

Construction fund, act June 29, 1936, revolving fund, \$2,687,450.

#### EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title:

Executive Office of the President:

Bureau of the Budget, national defense activities, independent offices:

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency:

Office of the Administrator:

Salaries and expenses, Office of Community War Services.

Expenses, temporary aid to enemy aliens and other restricted persons.

Department of the Interior:

Office of the Secretary:

Salaries and expenses, Division of Geography, Department of the Interior.

#### CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

#### EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation, \$315,500.

Prencinradio, Incorporated, \$875,000.

#### GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

#### TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-46, \$12,829,151.

Expediting production and equipment and supplies for national defense, 1940-46, \$282,892,000.

#### General Staff Corps:

Contingent fund, Chief of Staff, 1942-46, \$124,335,489.

Special field exercises, Army, 1942-46, \$51,246,874.

#### Finance Department:

Finance Service, Army, 1942-46, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$36,000; and (2) Apprehension of deserters, \$171,000.

#### Quartermaster Corps:

Quartermaster Service, Army, 1942-46, \$3,944,994,479, and subappropriations under this head are hereby decreased as follows: (1) Welfare of enlisted men, \$10,000,000; (2) subsistence of the Army, \$1,762,081,479; (3) regular supplies of the Army, \$561,018,000; (4) clothing and equipment, \$1,563,225,000; (5) horses, draft and pack animals, \$1,670,000; and (6) Army transportation, \$47,000,000.

#### Transportation Corps:

Transportation Service, Army, 1945-46, \$704,268,000.

#### Signal Corps:

Signal Service of the Army, 1942-46, \$1,679,434,000.

#### Air Corps:

Air Corps, Army, 1942-46, \$12,166,313,000.

#### Medical Department:

Medical and Hospital Department, Army, 1942-46, \$268,039,000.

#### Corps of Engineers:

Engineer Service, Army, 1942-46, \$2,349,523,571, and subappropriations under this head are hereby decreased as follows: (1) Engineer Service, \$2,054,408,571; (2) military posts, \$148,255,000; and (3) barracks and quarters, Army, \$146,860,000.

#### Ordnance Department:

Ordnance Service and Supplies, Army, 1942-46, \$8,300,000,000.

#### Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-46, \$997,870,000.

#### Special service schools:

Special service schools, Army, 1942-46, \$178,000, and subappropriations under this head are hereby decreased as follows: (1) Infantry school, \$81,000; (2) Cavalry activities, \$22,700; and (3) Field Artillery activities, \$74,300.

#### Seacoast defenses:

Seacoast defenses, general, 1942-46, \$1,664,000.

United States Military Academy: Pay of Military Academy, 1942-46, \$21,000.

Inter-American Relations, War Department: Inter-American Relations, War Department, 1943-46, \$75,000.

#### Office of the Secretary:

Contingent expenses, War Department, 1942-46, \$1,200,000.

Printing and binding, War Department, 1942-46, \$18,000,000.

#### TRANSFER OF APPROPRIATIONS

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army," to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kans., \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Ill., \$5,719;

Instruction in armored force activities, \$389,756; and

Maintenance and Operation, United States Military Academy, \$1,323,884.

#### GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents 12 years of age or



over and of 2 cents per mile for dependents between 5 and 12 years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,903,090,564.

#### TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:  
Miscellaneous expenses, Navy:  
Fiscal year 1944, \$2,323,605.  
Fiscal year 1945, \$671,805.  
Fiscal year 1946, \$13,000,000.  
Contingent, Navy:  
Fiscal year 1944, \$74,000.  
Fiscal year 1945, \$49,000.  
Fiscal year 1946, \$20,000.  
Naval emergency fund:  
Fiscal year 1945, \$25,477.  
Fiscal year 1946, \$3,000,000.  
Naval Research Laboratory:  
Fiscal year 1944, \$5,185.  
Fiscal year 1945, \$3,002.  
Fiscal year 1946, \$90,000.  
Operation and conservation of naval petroleum reserves:  
Fiscal year 1944, \$6,986.  
Fiscal year 1945, \$6,353.  
Fiscal year 1946, \$18,000.  
Ocean and lake surveys, Navy:  
Fiscal year 1944, \$6,677.  
Fiscal year 1945, \$21,298.  
Bureau of Naval Personnel:  
Naval War College:  
Fiscal year 1944, \$4,521.  
Fiscal year 1945, \$2,886.  
Naval Training Station, San Diego, Calif.:  
Fiscal year 1944, \$232,338.  
Fiscal year 1945, \$327,515.  
Naval Training Station, Newport, R. I.:  
Fiscal year 1944, \$823.  
Fiscal year 1945, \$256.  
Naval Training Station, Great Lakes, Ill.:  
Fiscal year 1944, \$459,244.  
Fiscal year 1945, \$29,510.  
Fiscal year 1946, \$700,000.  
Naval Training Station, Norfolk, Va.:  
Fiscal year 1944, \$4,488.  
Fiscal year 1945, \$14,879.  
Naval Training Station, Lake Pend Oreille, Idaho:  
Fiscal year 1944, \$54,790.  
Fiscal year 1945, \$604,708.  
Naval Training Station, Lake Seneca, N. Y.:  
Fiscal year 1944, \$38,894.  
Fiscal year 1945, \$3,209.  
Naval training station, Port Deposit, Md.:  
Fiscal year 1945, \$2,794.  
Fiscal year 1946, \$500,000.  
Fleet training, Navy:  
Fiscal year 1944, \$11,108.  
Fiscal year 1945, \$164,695.  
Fiscal year 1946, \$78,000.  
Instruction, Navy:  
Fiscal year 1944, \$2,151,364.  
Fiscal year 1945, \$120,000.  
Fiscal year 1946, \$9,000,000.  
Libraries, Navy:  
Fiscal year 1944, \$145,920.  
Fiscal year 1945, \$1,693.  
Fiscal year 1946, \$1,252,935.  
Welfare and recreation, Navy:  
Fiscal year 1944, \$903,681.  
Fiscal year 1946, \$4,124,000.  
Naval Reserve Officers' Training Corps:  
Fiscal year 1944, \$237,300.  
Fiscal year 1945, \$88,337.  
Miscellaneous expenses, Bureau of Naval Personnel:  
Fiscal year 1944, \$3,009.  
Fiscal year 1945, \$124.  
Fiscal year 1946, \$20,000.  
Naval Reserve:  
Fiscal year 1944, \$54,961,800.  
Fiscal year 1945, \$24,511,154.  
Fiscal year 1946, \$50,000,000.  
Pay, Naval Academy:  
Fiscal year 1944, \$88,394.  
Fiscal year 1945, \$93,796.

Maintenance, Naval Academy:  
Fiscal year 1944, \$6,877.  
Fiscal year 1945, \$2,529.  
Naval Home, Philadelphia, Pa.:  
Fiscal year 1944, \$610.  
Fiscal year 1945, \$1,250.  
Naval prison farms and prison personnel:  
Fiscal year 1944, \$10.  
Fiscal year 1945, \$5,100.  
Bureau of Ships:  
Maintenance, Bureau of Ships:  
Fiscal year 1942, \$43,907,135.  
Fiscal year 1942-43, \$51,956,375.  
Fiscal year 1943, \$64,050,351.  
Fiscal year 1944, \$52,247,000.  
Fiscal year 1945, \$118,474,000.  
Fiscal year 1946, \$1,468,000,000.  
Defense installations on merchant vessels, Navy, \$13,658,123.  
Bureau of Ordnance:  
Ordnance and ordnance stores, Navy:  
Fiscal year 1944, \$551,226,542.  
Fiscal year 1945, \$1,208,752,767.  
Fiscal year 1946, \$2,600,000,000.  
Bureau of Supplies and Accounts:  
Pay, subsistence, and transportation, Navy, 1944, \$128,214,285.  
Pay and subsistence of naval personnel, 1946, \$1,117,369,200.  
Maintenance, Bureau of Supplies and Accounts, 1946, \$81,314,000.  
Transportation of things, Navy, 1946, \$140,036,282.  
Fuel, Navy, 1946, \$100,000,000.  
Bureau of Medicine and Surgery:  
Medical Department, Navy:  
Fiscal year 1944, \$14,017,195.  
Fiscal year 1945, \$12,238,592.  
Fiscal year 1946, \$30,000,000.  
Bureau of Yards and Docks:  
Maintenance, Bureau of Yards and Docks:  
Fiscal year 1944, \$2,431,496.  
Fiscal year 1945, \$3,139,211.  
Fiscal year 1946, \$15,000,000.  
Public works, Bureau of Yards and Docks, \$400,000,000, and the contract authorization for "Public works, Bureau of Yards and Docks," available in the fiscal year 1946 is hereby reduced in the sum of \$1,229,880,000: *Provided*, That of this amount \$946,000,000 shall apply against advance base construction, material, and equipment.  
Bureau of Aeronautics:  
Aviation, Navy:  
Fiscal year 1943, \$256,482,489.  
Fiscal year 1943-44, \$193,929,557.  
Fiscal year 1944, \$811,987,405.  
Fiscal year 1945, \$1,468,753,102.  
Fiscal year 1946, \$1,481,300,000, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, etc., from "\$799,128,500" to "\$135,765,200"; (2) replacement of navigational and radio equipment for aircraft in service, etc., from "\$168,808,200" to "\$44,934,000"; (3) maintenance, repair, and operation of aircraft factory, air stations, etc., from "\$1,431,840,800" to "\$758,050,800"; and (4) continuing experiments and developmental work, etc., from "\$81,272,500" to "\$61,000,000"; and the unobligated portion of the contract authorization provided under this head is hereby repealed.  
Marine Corps:  
Pay, Marine Corps:  
Fiscal year 1944, \$41,321,480.  
Fiscal year 1945, \$10,000,000.  
Fiscal year 1946, \$69,913,260.  
Pay of civil force, offices of Commandant of Marine Corps and director of personnel:  
Fiscal year 1944, \$358.  
Fiscal year 1945, \$174.  
Pay of civil force, office of paymaster general, Marine Corps:  
Fiscal year 1944, \$330.  
Fiscal year 1945, \$118.  
Pay of civil force, office of quartermaster general, Marine Corps:  
Fiscal year 1944, \$844.  
Fiscal year 1945, \$1,059.

General expenses, Marine Corps:  
Fiscal year 1944, \$79,787,482.  
Fiscal year 1945, \$56,737,554.  
Fiscal year 1946, \$310,000,000.  
Increase and replacement of naval vessels:  
Increase and replacement of naval vessels, construction and machinery, \$732,104,151.  
Increase and replacement of naval vessels, armor, armament, and ammunition, \$276,876,967.  
Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels.  
Repair facilities, Navy:  
Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy," available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.  
Coast Guard:  
Salaries, office of Commandant, United States Coast Guard:  
Fiscal year 1944, \$219.  
Fiscal year 1945, \$133,293.  
Pay and allowances, Coast Guard:  
Fiscal year 1944, \$35,006,326.  
Fiscal year 1945, \$8,658,922.  
Fiscal year 1946, \$80,000,000.  
General expenses, Coast Guard:  
Fiscal year 1944, \$631,865.  
Fiscal year 1945, \$1,289,896.  
Fiscal year 1946, \$20,000,000.  
Civilian employees, Coast Guard:  
Fiscal year 1944, \$109,654.  
Fiscal year 1945, \$200,633.  
Establishing and improving aids to navigation, Coast Guard, \$346,000.  
Acquisition of vessels and shore facilities, Coast Guard, \$2,741,000.  
Retired pay, former Lighthouse Service, Coast Guard:  
Fiscal year 1944, \$73,320.  
Fiscal year 1945, \$48,109.  
Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$25,536.  
Salaries and expenses, Merchant Marine Inspection, Coast Guard:  
Fiscal year 1944, \$899,401.  
Fiscal year 1945, \$373,270.  
Emergency construction, vessels and shore facilities, Coast Guard (Navy), \$231,000.  
Special projects, vessels, Coast Guard (Navy), \$127,000.  
Special projects, aids to navigation, Lighthouse Service, Coast Guard (Navy), \$28,699.  
Special projects, aids to navigation, Coast Guard (Navy), \$556,000.  
NAVY DEPARTMENT  
Salaries, Office of Secretary of the Navy:  
Fiscal year 1944, \$78.  
Fiscal year 1945, \$5,330.  
Salaries, General Board, Navy Department:  
Fiscal year 1944, \$3,826.  
Fiscal year 1945, \$8,775.  
Salaries, Naval Examining and Retiring Boards:  
Fiscal year 1944, \$1,536.  
Fiscal year 1945, \$5,662.  
Salaries, Office of Naval Records and Library:  
Fiscal year 1944, \$879.  
Fiscal year 1945, \$7,035.  
Salaries, Office of Judge Advocate General, Navy:  
Fiscal year 1944, \$5,312.  
Fiscal year 1945, \$36.  
Salaries, Office of Chief of Naval Operations:  
Fiscal year 1944, \$787.  
Fiscal year 1945, \$731.  
Salaries, Board of Inspection and Survey, Navy Department:  
Fiscal year 1944, \$3,452.  
Fiscal year 1945, \$2,893.  
Salaries, Office of Director of Naval Communications:  
Fiscal year 1944, \$125.  
Fiscal year 1945, \$18,647.



## Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

## Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.

## Salaries, Naval Observatory:

Fiscal year 1944, \$38.

Fiscal year 1945, \$1,117.

## Salaries, Bureau of Ships:

Fiscal year 1944, \$2.

## Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.

Fiscal year 1945, \$151.

## Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

## Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

## Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

## Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

## Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "5,500,000" to "\$4,500,000."

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000."

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

Fiscal year 1945, \$94,942.

Fiscal year 1946, \$413,000.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.

Fiscal year 1945, \$40.

## GENERAL PROVISIONS

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.

In all, title III, \$14,404,721,830.

## GENERAL PROVISION

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this act, unless the President otherwise shall direct.

SEC. 301. This act may be cited as the "First Supplemental Surplus Appropriation Rescission Act, 1946."

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment which I have sent to the Clerk's desk.

## The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 27, line 12, strike out "\$1,117,369,200" and insert in lieu thereof "\$1,317,369,200."

Mr. CANNON of Missouri. Mr. Chairman, this is a further step in our program of expediting demobilization. We cut pay and the subsistence allowance for both the Army and the Navy. The cut was productive of immediate results. Even before the bill was reported, the Navy thereafter announced a reduction in point requirements which made it possible to separate men from the service at a rate that obviated the need for this amount for pay and subsistence. Figures were not available at the time the bill was reported to the House, but in the meantime we have an estimate of a definite figure of \$1,317,365,200.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

[Mr. CASE of South Dakota addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks.)

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 36, line 7, after the word "direct", strike out the period, insert a colon and the following:

"*Provided*, That (a) there shall be discharged from, or released from active duty in, the military or naval forces of the United States without delay, any person who requests such discharge or release and who—  
 "(1) has served on active duty 18 months or more since September 16, 1940; or

"(2) has, at the time of making such request, a wife or a child or children with whom he maintains (or would but for his service maintain) a bona fide family relationship in his home; or

"(3) has, at the time of making such request, a mother or father dependent upon him for chief support; or

"(4) desires to resume his education or training by enrolling in an educational or training institution, if his education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service. Any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with."

Mr. CANNON of Missouri. Mr. Chairman, I reserve a point of order on the amendment. I shall not make the point of order, but reserve it in order to permit the gentleman to discuss the amendment on its merits.

Mr. RANKIN. Mr. Chairman, I hope this amendment is adopted. It is an exact duplicate of a bill which I introduced on the 19th of September and which I expect to bring to the floor of the House for vote unless this amendment is agreed to at this time.

General MacArthur tells us that he will not need more than 200,000 men in Japan, and I saw the other day where it was intimated, if he did not say it, that

he could get along with 60,000 in a few months. If General MacArthur can control the entire Japanese Empire with 200,000 men, surely we can get along in Europe with a similar number, when we have France, England, Russia, and our other allies helping to police Germany.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes, I yield.

Mr. MILLER of Nebraska. I may say that I am very much in favor of the gentleman's amendment because I introduced a bill to do a similar thing in September. General Barry testified before a Senate committee yesterday that there were 1,960,000 men in the Army with 60 or more points.

Mr. RANKIN. I am not surprised.

We will not need more than a million and a half men, and I doubt if we will need more than a million from now on. As a matter of fact I do not think we will need more than a million. Why keep them standing around in uniformed idleness when they are anxious to get out and their people at home are begging for them to come home and take care of their families? Why keep them standing around in uniformed idleness when they have business at home to look after, such as crops to gather, stores to operate, or professions to rebuild?

Why keep young boys standing around in uniformed idleness who want to go back home, return to school and complete their education?

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I wonder if the gentleman has read in the press where the War Department has announced that very soon it is letting out all conscientious objectors over 38 years of age, yet combat soldiers with 18 months' experience are being held with nothing to do.

Mr. RANKIN. Yes; and it is wrong. These young men who have done their duty in this war should have first consideration.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. REED of New York. May I say to the gentleman that I am in accord with his views on this proposition. I introduced a bill to do the same thing on the 12th of September. I have letters from all over the world from thousands of these men who say they are not doing anything.

Mr. RANKIN. Let me give you one illustration. The doctors in my State, especially in my section of the State, publish a magazine. The man who publishes that magazine is in the Army, not doing a thing in the world but begging to get home and resume the publication of one of the most necessary magazines in the State, and they cannot get him out because he does not have the required number of points. The point system is a miserable failure and ought to be abolished, and that is what I am trying to



do. I know a young man who wants to come back to take a position as assistant professor of music in the University of Mississippi. The head of that department tells me that she cannot carry on the work successfully without him, yet he is being held in the Army in the State of Mississippi, and I cannot even get him considered for a discharge.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I do not know whether the gentleman's amendment will go out on a point of order, but I hope some way will be devised to make the Army and the Navy release some of these men. The amendment should certainly pass.

Mr. RANKIN. I will argue the point of order, if one is made.

There are hundreds of thousands of hard cases of young men who should be discharged now.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I just want to say that I hope it will not go out on a point of order, because it is a good amendment and ought to prevail.

Mr. RANKIN. We might just as well pass it now, because we will pass it sooner or later. The American people are going to demand it.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. BREHM. According to health standards it requires 3,000 freshmen dentists to enter the dental colleges every year, and we have only 950 in the dental colleges this year.

Mr. RANKIN. That is true. Many of these young men want to get back to dental schools, as well as to other studies.

You all have correspondence piling up on your desks every day from boys who entered the service because the country needed them, and now when their country does not need them any longer, and they are needed at home, they come along with this point system as complicated as some of the point systems we had during the war itself, and the boys are frozen in the service.

I say that this amendment should be adopted and these boys be permitted to come home now.

Mr. O'NEAL. Mr. Chairman, I do not know whether the chairman of the Committee on Appropriations is going to make a point of order, but I feel it is my duty to make it.

I make the point of order that the amendment offered by the gentleman from Mississippi is not germane to the bill.

Mr. RANKIN. Mr. Chairman, I would like to be heard on the point of order.

Let me read to the Chair the provision of the bill that it would amend.

As the chairman knows, the question of germaneness is one of procedure. It is whether or not the amendment offered

injects new or extraneous matter. It is whether or not the amendment proposed injects new or extraneous matter into the bill or the provision to which it is offered. Here is the provision to which the amendment is offered:

#### GENERAL PROVISION

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this act, unless the President otherwise shall direct.

This section is on the question of demobilization, because it says "they shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this act, unless the President otherwise shall direct."

Mr. Chairman, they try by indirection, by cutting down appropriations to force the discharge of these men. That is a boot-strap method of getting these men discharged. It virtually says, "Well, we will starve them into it." How will the men in the service feel about that, when we cut off their supplies and still leave them in the service? But here I offer this amendment which I feel is entirely germane to this provision of the bill.

I submit that this point of order should be overruled, and the Members given an opportunity to vote on my amendment. If that is done, it will pass by a landslide. If that is not done I will get it put on in the Senate.

Mr. BREHM. If the gentleman will yield, it is at least germane to the morale of the country, is it not? It is germane to the bill, too.

Mr. RANKIN. Yes, but it is germane to this provision of the bill.

Suppose I had added some other provision there for additional money, or to take away a part of the appropriation, you would have said it was germane. In other words, it would be germane for me to cut off the soldier's supply of food, according to the argument of the opposition, but not germane for me to ask for his discharge.

I submit, Mr. Chairman, that this provision here is on this identical subject, that my amendment is entirely germane, and that the point of order should be overruled.

The CHAIRMAN. Does the gentleman from Kentucky desire to be heard on the point of order?

Mr. O'NEAL. Mr. Chairman, my only purpose in making this point of order is that I have long believed that this is really the greatest legislative body in the world, and that I believe that when legislation of this character, reaching far beyond anything contemplated in the bill, is brought in here at this time of the night, somebody should stand up here and make a point of order, no matter how worthy the ends to be obtained may be.

Mr. RANKIN. The gentleman keeps bearing down on "this time of the night." It is the same "time of the night" here that it is in the Army, where these boys are begging to get out.

Mr. O'NEAL. That is right. Possibly some of us ought to be in the Army; I do not know.

If you will read the gentleman's amendment offered to this paragraph, you will find that he goes into the question of defining the various classes of men in the Army, and writes a ticket going way beyond anything in the bill. This is a rescission bill cutting off money from all the departments of the Government, the Army included. The amendment attempts to define how demobilization shall take place, how people shall be judged, according to their families and how many children they have, and whether the children are going to school or not. This is writing a legislative bill in here. It is so far beyond anything in this bill that I do not believe there is any question but that the Chair will have to declare it not germane, and therefore not in order.

The CHAIRMAN (Mr. LANHAM). The Chair is ready to rule.

The question before the Chair does not concern the merits of the provisions of the amendment offered by the gentleman from Mississippi. It is the duty of the Chair simply to pass upon the point of order from a parliamentary standpoint, as to whether or not the amendment is germane.

The amendment offered by the gentleman from Mississippi is clearly a general legislative expression and proposes substantive law, whereas the provision in the bill to which the amendment is offered is merely the expression of a hope that within the amounts available for their pay and in consequence of the provisions of this act demobilization will be carried on as rapidly as possible.

In the opinion of the Chair, clearly, under the limitations of the general provision on page 36, this amendment, being a general legislative provision with reference to demobilization and having the effect of substantive law, and not being restrictive is not germane. The Chair therefore sustains the point of order.

Mr. RANKIN. Mr. Chairman, with all the deference in the world for the distinguished Chairman whom we all love, I respectfully appeal from the ruling of the Chair.

Mr. O'NEAL. Mr. Chairman, I move to lay the appeal on the table.

Mr. RANKIN. Mr. Chairman, the appeal cannot be laid on the table. The Committee has a right to vote on it.

The CHAIRMAN. The motion to lay on the table is not in order in the Committee.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. Is it in order to demand a consideration of the motion?

The CHAIRMAN. The question at issue is, Shall the decision of the Chair stand as the judgment of the Committee of the Whole?

Mr. RANKIN. Mr. Chairman, I ask for recognition on my appeal if it is debatable.



The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes on the appeal.

Mr. RANKIN. Mr. Chairman, I merely wish to say, with all deference to the chairman who labored considerably with this proposition, that I think the amendment is clearly germane. I have taken this appeal because it is our chance to get these boys out of the service. It is no reflection on the Chair to overrule the decision of the Chair. I trust the decision of the Chair will be overruled. If it is overruled, that will give us a chance to vote on my amendment, which you can see the Members are anxious to support.

If we are denied the right to adopt the amendment here, I feel confident we can get it put on in the Senate.

Mr. O'NEAL. Mr. Chairman, may I be heard in opposition to the appeal?

The CHAIRMAN. The gentleman from Kentucky [Mr. O'NEAL] is recognized.

Mr. O'NEAL. The only question before the Committee as a legislative body is to do its duty and decide whether or not the Chair was wrong in its decision. It is not a question of the merits of the amendment. The only question that the gentleman from Mississippi is raising in appealing from the decision of the Chair is: Is the Chair correct or is he incorrect? That is what the gentleman from Mississippi is asking and that is all you are going to answer when you decide this appeal.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. RANKIN. What I am asking for is that we be permitted to vote on this proposition now. The Members of the House want to vote on it. They have a right to vote on it. As I said, if I fail to get a vote on it here I'm going to do my best to get this provision adopted in the Senate.

Mr. O'NEAL. I beg to differ with the statement of the gentleman from Mississippi. The Chair has made a decision and ruled on a point of order. This appeal is not on the merits of the amendment. The gentleman from Mississippi has appealed to you that the Chair has decided wrongly. Your decision, just as though you were a judge on the bench, is to decide whether or not the Chair was in error when he ruled that the point of order was well taken.

The CHAIRMAN (Mr. COOPER). The question is: Shall the decision of the Chair stand as the judgment of the Committee of the Whole?

The question was taken; and the Chair announced that the "ayes" had it.

So the decision of the Chair stands as the judgment of the Committee of the Whole.

[Mr. ENGEL of Michigan addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. CANNON of Missouri. Mr. Chairman, the committee followed the exact recommendation of the Bureau of the Budget. At the time the item was under consideration we went into the question as to whether the Navy had been cut deep enough and whether the cut was

proportionate. It was explained that the problems before the Navy at this time are more serious than those of any other service, for the reason that it is engaged in research on jet propulsion, which promises to revolutionize the entire system of aviation.

I think, however, the most significant statement made on the subject in the entire hearing was the statement to the committee by Dr. Vannevar Bush, perhaps the most eminent authority on the subject today, that advantages accruing from research could not be measured by the amount of money expended; that there was no fixed relation between the amount of money provided for research and the results secured.

As the gentleman from Michigan [Mr. ENGEL] has indicated the amounts and the proportionate relation suggested by the committee are amply justified by the testimony before the committee.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(Mr. ENGEL of Michigan asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. If there are no further amendments, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and pursuant to House Resolution 375 he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DWORSHAK. Mr. Speaker, I move to recommit the bill.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DWORSHAK. In its present incomplete form I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion. The Clerk read as follows:

Mr. DWORSHAK moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with an increase of \$500,000,000 in the recapture of lend-lease funds.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### PERMISSION TO CHANGE TOTALS IN BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make the necessary changes in the totals in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### GENERAL LEAVE TO EXTEND ON THE BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken today on the bill may have five legislative days in which to extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks on page 16, line 7 of the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mrs. DOUGLAS of California asked and was given permission to extend her remarks in the Appendix and include an editorial on atomic energy.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD and include an editorial from the New York Times of yesterday.

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD and include three articles from today's Washington Post.

Mr. MARCANTONIO asked and was given permission to revise and extend the remarks he made in the Committee of the Whole.

Mr. HOOK asked and was given permission to extend his remarks and include an address he made before the the Junior Board of Commerce in Washington, D. C., on October 18.

Mr. JOHNSON of Oklahoma asked and was given permission to extend his own remarks in the RECORD.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include an address of His Holiness Pope Pius XII to his committee on the occasion of their visit to the Vatican.

Mr. BRUMBAUGH asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include therein certain letters and a petition.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that on Monday next I may address the House for 30 minutes following the legislative busi-









79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4407

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IN THE SENATE OF THE UNITED STATES

OCTOBER 22, 1945

Read twice and referred to the Committee on Appropriations

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the appropriations and contractual authorizations of the  
4       departments and agencies available in the fiscal year 1946,  
5       and prior year unreverted appropriations, are hereby reduced  
6       in the sums hereinafter set forth, such sums to be carried to  
7       the surplus fund and covered into the Treasury immediately  
8       upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT  
5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$5,226,461, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from “\$234,-  
10 000” to “\$150,000”, (2) reimbursement to employees  
11 for emergency or extraordinary expenses from “\$75,-  
12 000” to “\$40,000”, and (3) expenses of a confidential  
13 character from “\$1,200,000” to “\$25,000”.

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from “\$452,500” to “\$150,000”,  
21 (2) printing and binding from “\$47,500” to “\$14,000”  
22 (of which the amount available outside continental  
23 United States is decreased from “\$1,800” to “\$500”),  
24 and (3) penalty mail costs from “\$118,900” to  
25 “\$53,000”.



Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$10,662,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from "\$45,800" to "\$25,000", (2) travel within continental United States from "\$267,500" to "\$230,000", (3) printing and binding within continental United States from "\$1,000,000" to "\$550,000", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$40,000".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),

1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3       Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6       Migration of workers, \$479,000.

7       War Production Board:

8       Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to  
12      "\$105,000", (3) printing and binding from "\$648,-  
13      000" to "\$346,000", and (4) salary of the head of the  
14      agency from "\$15,000" to "\$12,000", except that so  
15      long as the position is held by the present incumbent  
16      the salary shall remain at \$15,000.

17      War Shipping Administration:

18      Revolving fund, \$195,452,000.

19      Maritime training fund, \$25,000,000.

20      Marine and war risk insurance fund, revolving fund,  
21      \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24      Salaries and expenses, \$25,929,000, and limitations  
25      under this head are hereby decreased as follows: (1)



1 Printing and binding from "\$1,470,000" to "\$961,064",

2 (2) traveling expenses from "\$7,949,700" to "\$6,-

3 780,000", and (3) penalty mail costs from "\$5,-

4 210,550" to "\$3,085,000".

5 Office of Strategic Services:

6 Salaries and expenses, \$11,500,000, and limitations

7 under this head are hereby decreased as follows: (1)

8 expenditures without regard to provisions of law and

9 regulations from "\$10,500,000" to "\$2,000,000", and

10 (2) expenditures for objects of a confidential nature

11 from "\$10,000,000" to "\$1,750,000".

12 Petroleum Administration for War:

13 Salaries and expenses, \$1,800,000, and limitations

14 under this head are hereby decreased as follows: (1).

15 personal services without regard to civil-service and

16 classification laws from "\$250,000" to "\$125,000",

17 and (2) travel expenses from "\$263,700" to

18 "\$100,000".

19 In all, Office for Emergency Management, \$447,-

20 886,225.

## 21 EMERGENCY FUNDS APPROPRIATED TO THE

## 22 PRESIDENT

23 Emergency fund for the President, national defense,

24 \$45,000,000.

1        Defense aid—lend-lease:

2        (1) Ordnance and ordnance stores, supplies, spare parts,  
3 and materials, \$57,990,000.

4        (2) Aircraft and aeronautical material, \$85,705,000.

5        (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8        (4) Vessels, ships, boats, and other watercraft, \$76.-  
9 080,000.

10       (5) Miscellaneous military equipment, supplies and  
11 materials, \$8,963,000.

12       (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15       (7) Agricultural, industrial, and other commodities  
16 and articles, \$1,351,216,000, and the \$500,000,000 made  
17 available by title II of the Second Deficiency Appropriation  
18 Act, 1945, as a reserve for expenditure for postwar price  
19 support of agriculture shall be paid to the Commodity Credit  
20 Corporation and continued as a reserve fund for expendi-  
21 ture, as and when necessary, for the postwar price support  
22 of agriculture.

23       (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good work-

1 ing order any defense articles for the government of any  
2 country whose defense the President deems vital to the  
3 defense of the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national de-  
16 fense), \$930,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund,  
24 Act June 29, 1936, revolving fund, \$496,500,000.



## FEDERAL SECURITY AGENCY

## Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322".

## SOCIAL SECURITY BOARD

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith, as authorized in title III of the Social Security Act, approved August 14, 1935, as amended, \$30,000,000, which shall be in addition to the amounts appropriated for such purposes in title II of the Labor-Federal Security Appropriation Act, 1946.

## FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting “(a)” after the figures “303”, and adding the following new subsections:

“(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and

1 353, Seventy-seventh Congress, and of section 201 of the  
2 Second Supplemental National Defense Appropriation Act,  
3 1941, as amended, shall be available for expenses of disposi-  
4 tion and removal, including the establishment of necessary  
5 reserves therefor and administrative expenses in connection  
6 therewith: *Provided*, That moneys derived by said Admin-  
7 istrator from the disposition of any such property or the re-  
8 moval of any such temporary housing may be deposited in a  
9 common fund account or accounts in the Treasury: *And pro-*  
10 *vided further*, That except for necessary reserves authorized  
11 by this Act or by section 201 of the Second Supplemental  
12 National Defense Appropriation Act, 1941, as amended, the  
13 unobligated balances of the moneys deposited into the Treas-  
14 ury from the disposition of any such property or the removal  
15 of any such temporary housing shall be covered at the end of  
16 each fiscal year into miscellaneous receipts.

17 “(c) Moneys in the reserve account established by the  
18 National Housing Administrator pursuant to subsections (a)  
19 and (b) of this section 303 shall not exceed \$25,000,000  
20 at any time: *Provided*, That all moneys in said account shall  
21 be covered into miscellaneous receipts not later than two  
22 years after the President shall have declared that the emer-  
23 gency declared by him on September 8, 1939, has ceased  
24 to exist.”

25 In all, independent offices, \$666,505,849.



## EXECUTIVE DEPARTMENTS

[Non-War]

## DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

1       Agricultural Research Administration:

2           Bureau of Animal Industry, salaries and expenses  
3       (meat inspection) ;

4           Bureau of Plant Industry, Soils, and Agricultural  
5       Engineering, salaries and expenses (fruit, vegetable, and  
6       specialty crops) ;

7           Bureau of Entomology and Plant Quarantine, sala-  
8       ries and expenses (foreign plant quarantine) .

9           Forest Service:

10               Salaries and expenses (national forest protec-  
11       tion and management) ;

12               Forest-fire cooperation.

13                       DEPARTMENT OF COMMERCE

14       Office of the Secretary: Salaries and expenses, National  
15   Inventors Council Service Staff, \$11,000.

16       Office of Administrator of Civil Aeronautics: Develop-  
17   ment of landing areas, \$5,000,000.

18       The following appropriations shall be so administered  
19   as to avoid the incurrence of deficiencies therein except for  
20   such added expense occasioned by the Federal Employees  
21   Pay Act of 1945 as it may not be practicable to absorb,  
22   namely:

23       Coast and Geodetic Survey, salaries and expenses, de-  
24   partmental;

1 Patent Office, salaries;

2 Weather Bureau, salaries and expenses.

3 DEPARTMENT OF THE INTERIOR

4 Office of the Secretary: Salaries and expenses, Division  
5 of Geography, \$20,000.

6 War Relocation Authority: Salaries and expenses,  
7 War Relocation Authority, Department of the Interior,  
8 \$5,000,000.

9 Office of Fishery Coordination: Salaries and expenses,  
10 \$57,000.

11 Solid Fuels Administration for War:

12 Salaries and expenses, \$275,000, and on April 1,  
13 1946, the sum of \$150,000 of said appropriation shall  
14 be transferred to the appropriation "Economics of  
15 mineral industries", Bureau of Mines, and the limitation  
16 in said latter appropriation for personal services in the  
17 District of Columbia shall be increased from "397,500"  
18 to "\$529,000".

19 Bureau of Mines

20 Enforcement of Federal Explosives Act, \$27,900.

21 Investigation of raw-material resources for steel pro-  
22 duction (national defense), \$180,000.

23 Construction and equipment of helium plants, \$260,000.

24 Manganese beneficiation pilot plants and research (na-  
25 tional defense), \$50,000.



1        Production of alumina from low-grade bauxite, aluminum  
2    clays and alunite (national defense) , \$200,000.

Investigation of bauxite and alunite ores and aluminum  
clay deposits (national defense), \$350,000.

5        Magnesium pilot plants and research. (national de-  
6    fense), \$150,000.

Investigation of deposits of critical and essential minerals  
in the United States and its possessions (national defense),  
\$420,000.

10 GOVERNMENT IN THE TERRITORIES

11       Emergency fund, Territories and island possessions  
12       (national defense), \$332,000.

13 DEPARTMENT OF JUSTICE

14        Legal activities and general administration: Salaries and  
15    expenses, War Division, \$100,000.

16 Federal Bureau of Investigation: Salaries and expenses,  
17 detection and prosecution of crimes (emergency), \$2,-  
18 480,000.

## 19 DEPARTMENT OF LABOR

20      Office of the Secretary:

21 Salaries and expenses (national defense), \$1,388.

22 Salaries and expenses, safety and health program  
23 (national defense), \$60,000.

1 Children's Bureau:

2 Grants to States for emergency maternity and infant  
3 care (national defense), \$8,113,600: *Provided*, That  
4 such reduced amount shall not affect the amount to be  
5 allotted to the States for administrative expenses as  
6 authorized in the Department of Labor Appropriation  
7 Act, 1946.

8 United States Employment Service:

9 Employment office facilities and services: The un-  
10 expended and unobligated balances, on the thirtieth day  
11 after the date of the enactment of this Act, of appro-  
12 priations, excluding the appropriation of \$7,791,134 to  
13 carry into effect the provisions of section 602 of title  
14 IV of the Servicemen's Readjustment Act of 1944,  
15 Public Law 346, Seventy-eighth Congress, made in the  
16 first paragraph under the heading "Employment Office  
17 Facilities and Services" in title VII of the Labor-Federal  
18 Security Appropriation Act, 1946, shall, on such  
19 thirtieth day, be carried to the surplus fund and covered  
20 into the Treasury.

21 WAR DEPARTMENT

22 The Panama Canal: Maintenance and operation of the  
23 Panama Canal, \$5,000,000.

24 In all, executive departments, \$57,854,572.

25 In all, title I, \$2,956,807,646.

1                   Miscellaneous Provisions, Title I

2                   REDUCTIONS IN CONTRACT AUTHORIZATIONS

3           Contract authorizations of the departments and agencies  
4   available in the fiscal year 1946 are hereby reduced in the  
5   sums hereinafter set forth:

6                   EXECUTIVE OFFICE OF THE PRESIDENT

7           Emergency funds appropriated to the President: Defense  
8   aid—lend-lease, \$600,000,000.

9                   INDEPENDENT OFFICES

10          United States Maritime Commission: Construction fund,  
11   Act June 29, 1936, revolving fund, \$325,900,000.

12                   FEDERAL WORKS AGENCY

13          Public Roads Administration:

14                  Strategic highway network, \$1,484,363.

15                  Access roads, \$3,076,845.

16                   REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

17                                   EXPENSES

18          Limitations on amounts from funds of corporations and  
19   other agencies for administrative expenses are hereby re-  
20   duced in the following sums:

21                   EXECUTIVE OFFICE OF THE PRESIDENT

22          Office for Emergency Management: Foreign Economic  
23   Administration, Rubber Development Corporation, \$249,500.

24          Alien Property Custodian, \$500,000.



War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

#### INDEPENDENT OFFICES

Smaller War Plants Corporation:

Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from “\$50,000” to “\$40,000”.

United States Maritime Commission:

Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

#### EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title.

Executive Office of the President:

Bureau of the Budget, national defense activities, independent offices:

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency:

Office of the Administrator:

Salaries and expenses, Office of Community  
War Services;

Expenses, temporary aid to enemy aliens and  
other restricted persons.

Department of the Interior:

Office of the Secretary:

Salaries and expenses, Division of Geography,  
Department of the Interior.

## CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

### EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of  
the Office of Inter-American Affairs is hereby directed  
to deposit in the Treasury of the United States as mis-  
cellaneous receipts the following sums representing ex-  
cess funds of corporations created by the Coordinator of  
Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,  
\$315,500.

Prencinradio, Incorporated, \$875,000.

### GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary

1 agency of the Government created to perform functions in  
2 connection with the national security and defense, there may  
3 be transferred to such liquidating agency as the President  
4 may designate, such amount from the funds of the agency  
5 to be liquidated as the Bureau of the Budget shall determine  
6 is necessary therefor.

## 7 TITLE II—MILITARY ESTABLISHMENT

### 8 Office of Secretary of War:

9 Contingencies of the Army, 1942-1946,  
10 \$12,829,151.

11 Expediting Production of Equipment and Supplies  
12 for National Defense, 1940-1946, \$282,892,000.

### 13 General Staff Corps:

14 Contingent Fund, Chief of Staff, 1942-1946,  
15 \$124,335,489.

16 Special Field Exercises, Army, 1942-1946,  
17 \$51,246,874.

### 18 Finance Department:

19 Finance Service, Army, 1942-1946, \$207,000, and  
20 subappropriations under this head are hereby decreased  
21 as follows: (1) Expenses of courts martial, \$36,000;  
22 and (2) Apprehension of deserters, \$171,000.

### 23 Quartermaster Corps:

24 Quartermaster Service, Army, 1942-1946, \$3,944,  
25 994,479, and subappropriations under this head are



1 hereby decreased as follows: (1) Welfare of enlisted  
2 men, \$10,000,000; (2) subsistence of the Army,  
3 \$1,762,081,479; (3) regular supplies of the Army,  
4 \$561,018,000; (4) clothing and equipage, \$1,563,-  
5 225,000; (5) horses, draft and pack animals, \$1,670,-  
6 000; and (6) Army transportation, \$47,000,000.

7 Transportation Corps:

8 Transportation Service, Army, 1945-1946, \$704,-  
9 268,000.

10 Signal Corps:

11 Signal Service of the Army, 1942-1946, \$1,679,-  
12 434,000.

13 Air Corps:

14 Air Corps, Army, 1942-1946, \$12,166,313,000.

15 Medical Department:

16 Medical and Hospital Department, Army, 1942-  
17 1946, \$268,039,000.

18 Corps of Engineers:

19 Engineer Service, Army, 1942-1946, \$2,349,523,-  
20 571, and subappropriations under this head are hereby  
21 decreased as follows: (1) Engineer Service, \$2,054,-  
22 408,571; (2) Military posts, \$148,255,000; and (3)  
23 Barracks and quarters, Army, \$146,860,000.

1     Ordnance Department:

2             Ordnance Service and Supplies, Army, 1942-1946,  
3     \$8,300,000,000.

4     Chemical Warfare Service:

5             Chemical Warfare Service, Army, 1942-1946,  
6     \$997,870,000.

7     Special Service Schools:

8             Special Service Schools, Army, 1942-1946,  
9     \$178,000, and subappropriations under this head are  
10    hereby decreased as follows: (1) Infantry School,  
11    \$81,000; (2) Cavalry activities, \$22,700; and (3)  
12    Field Artillery activities, \$74,300.

13    Seacoast defenses:

14             Seacoast defenses, general, 1942-1946, \$1,664,000.

15    United States Military Academy: Pay of Military  
16    Academy, 1942-1946, \$21,000.

17    Inter-American Relations, War Department: Inter-  
18    American Relations, War Department, 1943-1946, \$75,000.

19    Office of the Secretary:

20             Contingent expenses, War Department, 1942-1946,  
21    \$1,200,000.

22             Printing and binding, War Department, 1942-1946,  
23    \$18,000,000.

## TRANSFER OF APPROPRIATIONS

2 In addition to the transfers authorized by section 3 of the  
3 Military Appropriation Act, 1946, transfers of not to exceed  
4 the amounts hereinafter set forth may be made, with the  
5 approval of the Bureau of the Budget, from the appropriation  
6 "Ordnance Service and Supplies, Army", to the following  
7 appropriations:

8 Army War College, \$23,819;

9           Command and General Staff School, Fort Leavenworth,  
10   Kansas, \$30,189;

11 Quartermaster Service, Army, \$7,881,967;

**12** Rock Island Bridge, Rock Island, Illinois, \$5,719;

**13** Instruction in armored force activities, \$389,756;

14 Maintenance and Operation, United States Military  
15 Academy, \$1,323,884.

## GENERAL PROVISION

17 Appropriations for the Military Establishment for the  
18 fiscal year 1946 available for expenses of travel may be  
19 used under regulations prescribed by the Secretary of War,  
20 for the payment, in lieu of transportation in kind or move-  
21 ment at Government expense authorized by law for de-  
22 pendants, of 4 cents per mile for dependents twelve years  
23 of age or over and of 2 cents per mile for dependents be-  
24 tween five and twelve years of age, in advance or other-  
25 wise, in accordance with distances established for payment



1 and settlement of mileage accounts of officers pursuant to  
2 the provisions of the Act of June 12, 1906, as amended  
3 (34 Stat. 246; 10 U. S. C. 870).

4 In all, title II, \$30,903,090,564.

5 TITLE III—NAVAL ESTABLISHMENT

6 Office of the Secretary:

7 Miscellaneous expenses, Navy:

8 Fiscal year 1944, \$2,323,605.

9 Fiscal year 1945, \$671,805.

10 Fiscal year 1946, \$13,000,000.

11 Contingent, Navy:

12 Fiscal year 1944, \$74,000.

13 Fiscal year 1945, \$49,000.

14 Fiscal year 1946, \$20,000.

15 Naval emergency fund:

16 Fiscal year 1945, \$25,477.

17 Fiscal year 1946, \$3,000,000.

18 Naval Research Laboratory:

19 Fiscal year 1944, \$5,185.

20 Fiscal year 1945, \$3,002.

21 Fiscal year 1946, \$90,000.

22 Operation and conservation of naval petroleum reserves:

23 Fiscal year 1944, \$6,986.

24 Fiscal year 1945, \$6,353.

25 Fiscal year 1946, \$18,000:

- 1 Ocean and lake surveys, Navy:
- 2 Fiscal year 1944, \$6,677.
- 3 Fiscal year 1945, \$21,298.
- 4 Bureau of Naval Personnel:
- 5 Naval War College:
- 6 Fiscal year 1944, \$4,521.
- 7 Fiscal year 1945, \$2,886.
- 8 Naval Training Station, San Diego, California:
- 9 Fiscal year 1944, \$232,338.
- 10 Fiscal year 1945, \$327,515.
- 11 Naval Training Station, Newport, Rhode Island:
- 12 Fiscal year 1944, \$823.
- 13 Fiscal year 1945, \$256.
- 14 Naval Training Station, Great Lakes, Illinois:
- 15 Fiscal year 1944, \$459,244.
- 16 Fiscal year 1945, \$29,510.
- 17 Fiscal year 1946, \$700,000.
- 18 Naval Training Station, Norfolk, Virginia:
- 19 Fiscal year 1944, \$4,488.
- 20 Fiscal year 1945, \$14,879.
- 21 Naval Training Station, Lake Pend Oreille, Idaho:
- 22 Fiscal year 1944, \$54,790.
- 23 Fiscal year 1945, \$604,708.

1 Naval Training Station, Lake Seneca, New York:

2 Fiscal year 1944, \$38,894.

3 Fiscal year 1945, \$3,209.

4 Naval Training Station, Port Deposit, Maryland:

5 Fiscal year 1945, \$2,794.

6 Fiscal year 1946, \$500,000.

7 Fleet Training, Navy:

8 Fiscal year 1944, \$11,108.

9 Fiscal year 1945, \$164,695.

10 Fiscal year 1946, \$78,000.

11 Instruction, Navy:

12 Fiscal year 1944, \$2,151,364.

13 Fiscal year 1945, \$120,000.

14 Fiscal year 1946, \$9,000,000.

15 Libraries, Navy:

16 Fiscal year 1944, \$145,920.

17 Fiscal year 1945, \$1,693.

18 Fiscal year 1946, \$1,252,935.

19 Welfare and Recreation, Navy:

20 Fiscal year 1944, \$903,681.

21 Fiscal year 1946, \$4,124,000.

22 Naval Reserve Officers' Training Corps:

23 Fiscal year 1944, \$237,300.

24 Fiscal year 1945, \$88,337.



- 1        Miscellaneous expenses, Bureau of Naval Personnel:
- 2            Fiscal year 1944, \$3,009.
- 3            Fiscal year 1945, \$124.
- 4            Fiscal year 1946, \$20,000.
- 5        Naval Reserve:
- 6            Fiscal year 1944, \$54,961,800.
- 7            Fiscal year 1945, \$24,511,154.
- 8            Fiscal year 1946, \$50,000,000.
- 9        Pay, Naval Academy:
- 10           Fiscal year 1944, \$88,394.
- 11           Fiscal year 1945, \$93,796.
- 12        Maintenance, Naval Academy:
- 13           Fiscal year 1944, \$6,877.
- 14           Fiscal year 1945, \$2,529.
- 15        Naval Home, Philadelphia, Pennsylvania:
- 16           Fiscal year 1944, \$610.
- 17           Fiscal year 1945, \$1,250.
- 18        Naval Prison Farms and Prison Personnel:
- 19           Fiscal year 1944, \$10.
- 20           Fiscal year 1945, \$5,100.
- 21        Bureau of Ships:
- 22           Maintenance, Bureau of Ships:
- 23            Fiscal year 1942, \$43,907,135.
- 24            Fiscal year 1942-43, \$51,956,375.
- 25            Fiscal year 1943, \$64,050,351.

1 Fiscal year 1944, \$52,247,000.

2 Fiscal year 1945, \$118,474,000.

3 Fiscal year 1946, \$1,468,000,000.

4 Defense installations on merchant vessels, Navy, \$13,-  
5 658,123.

6 Bureau of Ordnance:

7 Ordnance and ordnance stores, Navy:

8 Fiscal year 1944, \$551,226,542.

9 Fiscal year 1945, \$1,208,752,767.

10 Fiscal year 1946, \$2,600,000,000.

11 Bureau of Supplies and Accounts:

12 Pay, subsistence, and transportation, Navy, 1944, \$128,-  
13 214,285.

14 Pay and subsistence of naval personnel, 1946,  
15 \$1,317,369,200.

16 Maintenance, Bureau of Supplies and Accounts, 1946,  
17 \$81,314,000.

18 Transportation of things, Navy, 1946, \$140,036,282.

19 Fuel, Navy, 1946, \$100,000,000.

20 Bureau of Medicine and Surgery:

21 Medical Department, Navy:

22 Fiscal year 1944, \$14,017,195.

23 Fiscal year 1945, \$12,238,592.

24 Fiscal year 1946, \$30,000,000.

1 Bureau of Yards and Docks:

2 Maintenance, Bureau of Yards and Docks:

3 Fiscal year 1944, \$2,431,496.

4 Fiscal year 1945, \$3,139,211.

5 Fiscal year 1946, \$15,000,000.

6 Public Works, Bureau of Yards and Docks, \$400,-  
7 000,000, and the contract authorization for "Public Works,  
8 Bureau of Yards and Docks" available in the fiscal year  
9 1946 is hereby reduced in the sum of \$1,229,880,000:  
10 *Provided*, That of this amount \$946,000,000 shall apply  
11 against advance base construction, material and equipment.

12 Bureau of Aeronautics:

13 Aviation, Navy:

14 Fiscal year 1943, \$256,482,489.

15 Fiscal year 1943-44, \$193,929,557.

16 Fiscal year 1944, \$811,987,405.

17 Fiscal year 1945, \$1,468,753,102.

18 Fiscal year 1946, \$1,481,300,000, and subappro-  
19 priations under this head are hereby decreased as fol-  
20 lows: (1) New construction and procurement of aircraft  
21 and equipment, spare parts, and so forth, from "\$799,-  
22 128,500" to "\$135,765,200", (2) replacement of navi-  
23 gational and radio equipment for aircraft in service, and  
24 so forth, from "\$168,808,200" to "\$44,934,000", (3)  
25 maintenance, repair, and operation of aircraft factory,



air stations, and so forth, from “\$1,431,840,800” to “\$758,050,800”, and (4) continuing experiments and developmental work, and so forth, from “\$81,272,500” to “\$61,000,000”; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

Marine Corps:

Pay, Marine Corps:

Fiscal year 1944, \$41,321,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

Pay of civil force, Offices of Commandant of Marine

Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

Pay of civil force, Office of Paymaster General, Marine

Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

Pay of civil force, Office of Quartermaster General,

Marine Corps:

Fiscal year 1944, \$844.

Fiscal year 1945, \$1,059.

General expenses, Marine Corps:

Fiscal year 1944, \$79,787,482.

1           Fiscal year 1945, \$56,737,554.

2           Fiscal year 1946, \$310,000,000.

3           Increase and replacement of naval vessels:

4                 Increase and replacement of naval vessels, con-  
5                 struction and machinery, \$732,104,151.

6                 Increase and replacement of naval vessels,  
7                 armor, armament and ammunition, \$276,876,967.

8                 Increase and replacement of naval vessels,  
9                 emergency construction, \$38,385,489: *Provided*,  
10                That the balances remaining of appropriations under  
11                “Increase and replacement of naval vessels” shall  
12                not be available for the period of the fiscal year 1946  
13                subsequent to October 16, 1945, for beginning the  
14                construction of any new vessels.

15          Repair facilities, Navy:

16                 Repair facilities, Navy, \$38,266,050, and the  
17                 contract authorization for “Repair facilities, Navy”,  
18                 available in the fiscal year 1946 is hereby reduced  
19                 in the sum of \$27,562,131.

20          Coast Guard:

21                 Salaries, Office of Commandant, United States Coast  
22                 Guard:

23                 Fiscal year 1944, \$219.

24                 Fiscal year 1945, \$133,293.

1 Pay and allowances, Coast Guard:

2 Fiscal year 1944, \$35,006,326.

3 Fiscal year 1945, \$8,658,922.

4 Fiscal year 1946, \$80,000,000.

5 General expenses, Coast Guard:

6 Fiscal year 1944, \$631,865.

7 Fiscal year 1945, \$1,289,896.

8 Fiscal year 1946, \$20,000,000.

9 Civilian employees, Coast Guard:

10 Fiscal year 1944, \$109,654.

11 Fiscal year 1945, \$200,633.

12 Establishing and improving aids to navigation, Coast

13 Guard, \$346,000.

14 Acquisition of vessels and shore facilities, Coast Guard,

15 \$2,741,000.

16 Retired pay, former Lighthouse Service, Coast Guard:

17 Fiscal year 1944, \$73,320.

18 Fiscal year 1945, \$48,109.

19 Salaries, Merchant Marine Inspection, Coast Guard,

20 1945, \$25,536.

21 Salaries and expenses, Merchant Marine Inspection,

22 Coast Guard:

23 Fiscal year 1944, \$899,401.

24 Fiscal year 1945, \$373,270.



1       Emergency construction, vessels and shore facilities,  
2   Coast Guard (Navy), \$231,000.

3       Special projects, vessels, Coast Guard (Navy), \$127,-  
4   000.

5       Special projects, aids to navigation, Lighthouse Service,  
6   Coast Guard (Navy), \$28,699.

7       Special projects, aids to navigation, Coast Guard  
8   (Navy), \$556,000.

9                                   NAVY DEPARTMENT

10   Salaries:

11       Salaries, Office of Secretary of the Navy:

12           Fiscal year 1944, \$78.

13           Fiscal year 1945, \$5,330.

14       Salaries, General Board, Navy Department:

15           Fiscal year 1944, \$3,826.

16           Fiscal year 1945, \$8,775.

17       Salaries, Naval Examining and Retiring Boards:

18           Fiscal year 1944, \$1,536.

19           Fiscal year 1945, \$5,662.

20       Salaries, Office of Naval Records and Library:

21           Fiscal year 1944, \$879.

22           Fiscal year 1945, \$7,035.

23       Salaries, Office of Judge Advocate General, Navy:

24           Fiscal year 1944, \$5,312.

25           Fiscal year 1945, \$36.

1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-  
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.

1       Salaries, Bureau of Supplies and Accounts:

2               Fiscal year 1944, \$2,992.

3               Fiscal year 1945, \$2,414.

4       Salaries, Bureau of Medicine and Surgery:

5               Fiscal year 1944, \$4,578.

6               Fiscal year 1945, \$2,854.

7       Salaries, Bureau of Yards and Docks:

8               Fiscal year 1944, \$94.

9       Salaries, Bureau of Aeronautics:

10              Fiscal year 1944, \$46.

11   Contingent expenses:

12              Contingent expenses, Navy Department, 1944, \$10,322.

13              Contingent expenses, Navy Department, 1946:

14              The amount which may be transferred to this appro-  
15   piation from other appropriations contained in the Naval  
16   Appropriation Act, 1946, is hereby decreased from "\$5,500.-  
17   000" to "\$4,500,000".

18              Printing and binding, Navy Department, 1946:

19              The amount which may be transferred to this appro-  
20   piation from other appropriations contained in the Naval  
21   Appropriation Act, 1946, is hereby decreased from "\$18,-  
22   500,000" to "\$10,500,000".

23              Contingent and miscellaneous expenses, Hydrographic  
24   Office:

25              Fiscal year 1944, \$289,839.



1           Fiscal year 1945, \$94,942.

2           Fiscal year 1946, \$413,000.

3       Contingent and miscellaneous expenses, Naval Observa-  
4 tory:

5           Fiscal year 1944, \$572.

6           Fiscal year 1945, \$40.

7                           GENERAL PROVISIONS

8       Provisions of law prohibiting the payment of compensa-  
9 tion to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment during  
11 the fiscal year ending June 30, 1946.

12       Notwithstanding the provisions of section 10 of the Pay  
13 Readjustment Act of 1942 (56 Stat. 364), the Secretary  
14 of the Navy is authorized and directed to issue in kind during  
15 the fiscal year ending June 30, 1946, one service blue uni-  
16 form and overcoat to each enlisted man in the naval service  
17 upon return to the United States from sea and foreign shore  
18 duty upon the sworn statement of such enlisted man that he  
19 was prevented, by competent naval authority, from taking  
20 such articles of clothing with his person at the time of his  
21 assignment to sea and foreign shore duty: *Provided*, That  
22 the value of such articles of clothing shall be charged to the  
23 clothing and small-stores fund.

24       In all, title III, \$14,604,721,830.

## 1 GENERAL PROVISION

2 The officer and enlisted personnel strengths of the  
3 Army, Navy, Marine Corps, and Coast Guard shall be  
4 demobilized at a rate not less than would be necessary to  
5 keep within the amounts available for their pay in conse-  
6 quence of the provisions of this Act, unless the President  
7 otherwise shall direct.

8 SEC. 301. This Act may be cited as the "First Supple-  
9 mental Surplus Appropriation Rescission Act, 1946".

10 Passed the House of Representatives October 19, 1945.

Attest:

SOUTH TRIMBLE,

*Clerk.*





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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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OCTOBER 22, 1945

Read twice and referred to the Committee on Appropriations







79TH CONGRESS  
1ST SESSION

# H. R. 4407

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 26 (legislative day, OCTOBER 22), 1945

Referred to the Committee on Appropriations and ordered to be printed

---

## AMENDMENT

Intended to be proposed by Mr. BUTLER to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, viz:

1 On page 36, line 7, before the period, insert a colon  
2 and the following: "*Provided*, That (a) there shall be dis-  
3 charged from, or released from active duty in, the military  
4 or naval forces of the United States without delay, any person  
5 who requests such discharge or release and who—

6 " (1) has served on active duty eighteen months or  
7 more since September 16, 1940; or

8 " (2) has, at the time of making such request, a  
9 wife or a child or children with whom he maintains (or

1 would but for his service maintain) a bona fide family  
2 relationship in his home; or

3 “(3) has, at the time of making such request, a  
4 mother or father dependent upon him for chief support;  
5 or

6 “(4) desires to resume his education or training by  
7 enrolling in an educational or training institution, if  
8 his education or training was impeded, delayed, inter-  
9 rupted, or interfered with by reason of his entrance into  
10 the service. Any such person who was not over twenty-  
11 five years of age at the time he entered the service shall  
12 be deemed to have had his education or training impeded,  
13 delayed, interrupted, or interfered with”.





79TH CONGRESS  
1ST SESSION

# H. R. 4407

---

## AMENDMENT

---

Intended to be proposed by Mr. BUTLER to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

---

OCTOBER 26 (legislative day, OCTOBER 22), 1945

Referred to the Committee on Appropriations and  
ordered to be printed







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 15, 1945, for actions of Wednesday, November 14, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate committee reported appropriation-rescission bill (Emergency-Rubber-Project item amended). Senate received President's message urging additional appropriation authorizations for UNRRA. Senate agreed to conference report on bill providing for payment of leave to servicemen who enter or reenter U.S. employment. Senate continued debate on reorganization bill. Reps. Vursell and Rees urged reduction in number of Federal personnel.

SENATE

1. APPROPRIATION RESCISSION. Appropriations Committee reported with amendments this bill, H.R. 4407 (S.Rept. 719) (p. 10798). The Senate committee amended the language regarding the Emergency Rubber Project to provide for the orderly liquidation of the project including sale of the mills and disposal of leases by sale or by contract arrangements, and for continuation of research, but the Senate committee language does not place any time limit on liquidation of the project. The House language provided for elimination of the remaining guayule plantations and the rehabilitation and return of the leased land to the owners, and also for continuation of research work until June 30, 1946. The Senate committee also restored \$1,789,419 of the \$5,226,461 House rescission for FEA. (For other provisions see Digest 181.)
2. UNRRA APPROPRIATIONS. Received the President's message urging appropriation authorizations of \$1,350,000,000 for U.S. participation in UNRRA activities. To Foreign Relations Committee. (pp. 10795-6.)
3. FOREIGN RELIEF. Received petitions from Wis. and Pa. citizens favoring additional foreign relief (p. 10797).
4. PERSONNEL; LEAVE. Agreed to the conference report on S. 1036, providing for payment of accrued or accumulated leave to servicemen who enter or reenter U.S. employment (p. 10800). This bill will now be sent to the President.
5. PRICE CONTROL; RATIONING. Received OPA's 14th report. To Banking and Currency Committee. (p. 10797.)

6. GOVERNMENT REORGANIZATION. Continued debate on S. 1120, the reorganization bill (pp. 10822-36). Debated Byrd and Donnell amendments. Sen. Donnell, Mo., spoke urging reduction in number of Federal personnel (pp. 10822-3).
7. PRICE CONTROL. Sen. Capper, Kans. inserted correspondence concerning removal of price controls and stated that OPA policy "is likely to retard production and thereby increase the inflationary pressure" (pp. 10797-8).
8. MINERALS. Received an Army and Navy Munitions Board letter relating to the inclusion of uranium in a list of strategic and critical materials. To Military Affairs Committee. (p. 10797.)
9. MILITARY TRAINING. Received communications opposing compulsory military training. To Military Affairs Committee. (p. 10797.)
10. FLOOD CONTROL. Commerce Committee reported without amendment H.R. 1902, relating to the trial of the issue of just compensation in the case of condemnation proceedings of property to be used for flood control purposes (S.Rept. 718)(p. 10798).
11. BUILDINGS AND GROUNDS. D.C. Committee reported without amendment H.J.Res. 236, to provide for continuance of the tax-exempt status of certain D.C. property used and occupied by any department, agency, or instrumentality of the U.S. Government or by the American Red Cross (S.Rept. 784)(p. 10798).
12. GI BILL OF RIGHTS. Sens. George, Connally, Johnson of Colo., LaFollette, and Milliken were appointed conferees on H.R. 3749, to revise the Servicemen's Readjustment Act (pp. 10800-1). House conferees not yet appointed.

#### HOUSE

13. PERSONNEL; EMPLOYMENT. Rep. Vursell, Ill., urged reduction in number of Federal personnel and criticized proposed legislation for unemployment compensation which would cover Federal employees and transportation home; and Federal salary increases; and criticized Government expenditures (pp. 10848-50).
14. FEDERAL SALARIES. Rep. Rees, Kans., spoke favoring salary increases for low-bracket employees, opposing increases in the higher brackets, and urging reduction in number of personnel (p. 10847).
15. RUBBER. Rep. Johnson, Ill., commended wartime synthetic rubber production and inserted a press release on the subject (p. 10841).
16. FEDERAL EXPENDITURES. Rep. Rich, Pa., criticized Government expenditures and urged a "sensible administration...or our Nation will be ruined financially" (p. 10844).
17. COMMITTEE ASSIGNMENT; FLOOD CONTROL. Rep. Davis, Tenn., was elected to the Flood Control Committee (p. 10846).
18. PRICE CONTROL. Reps. Hartley (N.J.), Rittenger (Minn.), and Jonkman (Mich.) criticized OPA price policies (pp. 10840-1, 10842).  
Rep. Sabath, Ill., commended Chester Bowles' administration of OPA (p. 10844).  
Rep. Gallagher, Minn., urged continuing price controls to avoid inflation (p. 10844).



volume comprising the acts of the first special session of the Sixteenth Legislature of Puerto Rico, January 11, 1945, and the acts of the first regular session of the Sixteenth Legislature of Puerto Rico, February 12 to April 15, 1945 (with an accompanying volume); to the Committee on Territories and Insular Affairs.

#### REPORT OF NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

A letter from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1945 (with an accompanying report); to the Committee on Printing.

#### REPORT OF OFFICE OF PRICE ADMINISTRATION

A letter from the Administrator of the Office of Price Administration, transmitting, pursuant to law, the fourteenth report of the Office of Price Administration, covering the period ended June 30, 1945 (with an accompanying report); to the Committee on Banking and Currency.

#### STRATEGIC AND CRITICAL MATERIALS

A letter from Deputy Executive Chairmen of the Army and Navy Munitions Board, relating to the inclusion of uranium in a list of strategic and critical materials, transmitted to the Senate by the Board on January 2, 1945; to the Committee on Military Affairs.

#### AMENDMENT TO THE CHARTER OF PETROLEUM RESERVES CORPORATION

A letter from the Secretary of the Senate, transmitting for the information of the Senate, a letter from the Reconstruction Finance Corporation, transmitting, pursuant to law, two certified copies of an amendment made by the Reconstruction Finance Corporation to the Charter of the Petroleum Reserves Corporation (with accompanying papers); ordered to be filed.

#### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A letter in the nature of a memorial from Jane Armington, of Chicago, Ill., remonstrating against the enactment of legislation providing for the return of the United States Employment Service to the States; to the Committee on Appropriations.

A letter in the nature of a memorial from Mr. and Mrs. Frank Wagner, remonstrating against the enactment of legislation providing for peacetime compulsory military training; to the Committee on Military Affairs.

A resolution adopted at the sixty-first annual meeting of the Indiana Academy of Science, Indianapolis, Ind., favoring the enactment of the bill (H. R. 4006) authorizing the execution of plans for a permanent memorial to Benjamin Harrison; to the Committee on the Library.

A petition of sundry citizens of the United States, praying revision of certain amendments to Senate Joint Resolution 69, to provide for the preparation and publication as an official document of railroad cost scales or tables and related information; to the Committee on Interstate Commerce.

A telegram from the Committee for Relief to Austria and Germany, signed by O. R. Hauser, chairman, Milwaukee, Wis., embodying a resolution adopted by 3,500 Americans in mass meeting assembled in Milwaukee, Wis., favoring communication with Germany and Austria be restored so as to permit the collection of food, clothing, and medical supplies for Germany and Austria; to the Committee on Foreign Relations.

A telegram in the nature of a petition from the American Slav Congress of Western Pennsylvania, Pittsburgh, Pa., praying the immediate appropriation of \$550,000,000 for the relief of the stricken people of liberated

Europe; to the Committee on Appropriations.

By Mr. WALSH:

A resolution adopted by the Suffolk County Christian Endeavor Union, of Boston, Mass., favoring recall of the President's personal representative to the Vatican; to the Committee on Foreign Relations.

A resolution adopted by the Women's Union Club, of Fall River, Mass., favoring the enactment of legislation providing old-age assistance; to the Committee on Finance.

A resolution adopted by the executive board of Local No. 11, United Packing House Workers of America, of Boston, Mass., relating to America's foreign policy; to the Committee on Foreign Relations.

#### PEACETIME COMPULSORY MILITARY TRAINING

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a letter from Rev. L. R. Templin, of Winfield, Kans., and a report of the Central Kansas Conference of the Methodist Church, Salina, Kans., relating to peacetime compulsory military training.

There being no objection, the letter and report were received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

WINFIELD, KANS., November 8, 1945.  
Senator CLYDE M. REED,  
Washington, D. C.

DEAR SENATOR REED: I am sending you a copy of the section of a report on world peace, dealing with the matter of universal military training, passed by the Central Kansas Conference of the Methodist Church in its recent session. The conference covers the west two-thirds of the State, has a few more than 100,000 members, and in the recent session was represented by the ministers and lay members who are leaders in the conference. Your continued support of a reasonable program that will help build the atmosphere in which world peace can be maintained will be appreciated.

Sincerely,

L. R. TEMPLIN,  
Minister, Secretary of the Central  
Kansas Conference of the Metho-  
dist Church.

We view with grave concern the proposal that we should abandon one of the basic policies of our national life and introduce into our American economy the principle and practice of peacetime universal compulsory military training. It is an impressive fact that the first step which led Germany, Italy, and Japan on the road to tragedy was the initiation of such a program for their youth. The people of the United States of America would be well-advised to beware of starting down the same bitter tragic road.

We believe that it would be a much wiser policy if we should set ourselves to conserve the health of all of our people, make certain that every American youth has the advantage of a first-class regiment of physical training and basic general education, in order that we may develop a body of citizens with vigorous bodies, sound minds, and characters disciplined for the responsibilities of citizenship.

We would respectfully urge that our Government throw its influence back of the proposal that the United Nations, by international agreement, abolish all universal compulsory military training throughout the world, and seek through the rigid control of the manufacture and distribution of implements and munitions of war, coupled with the development of juridical processes for dealing with international tensions and conflicts of interest, and progressive reduction of the armed establishments of the various na-

tions, provide the means effectually to prevent the breaking of the peace of the world by any power or group of powers.

We therefore recommend that the Central Kansas Annual Conference express its judgment that the United States of America should not introduce universal peacetime compulsory military training.

We therefore recommend that the secretary of the Central Kansas Annual Conference of the Methodist Church be instructed to communicate with the representatives of the State of Kansas in the Senate and House of Representatives, urging them to vote against any proposal for the introduction of peacetime compulsory universal military training at this time; and that they support every measure that, in their judgment, will strengthen the cooperation of the United States of America with the other United Nations in harmony with the principles expressed in the Atlantic Charter and the preamble to the Charter of the United Nations. (From a report on world peace adopted by the Central Kansas Conference of the Methodist Church, Salina, Kans., September 26-30, 1945.)

#### PRICE CONTROLS BY OFFICE OF PRICE ADMINISTRATION

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD copies of a letter from myself to Mr. Chester Bowles, Administrator of the Office of Price Administration, and a telegram to me from Mr. H. H. Mack, of the Mosby Mack Motor Co., of Topeka, Kans.

The letter expresses the fear that Mr. Bowles, in his zeal to hold the line on prices, is pursuing a policy that is likely to retard production and thereby increase the inflationary pressure, rather than retard it.

There being no objection, the letter and telegram presented by Mr. CAPPER were received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

NOVEMBER 13, 1945.

MR. CHESTER BOWLES,  
Administrator, Office of Price Admin-  
istration, Washington, D. C.

DEAR MR. BOWLES: I am enclosing a copy of a telegram I have just received from Mr. H. H. Mack, Mosby Mack Motor Co., of Topeka, Kans. I believe it is self-explanatory.

I realize the difficulty, and even some danger of immediate inflation, in releasing price controls too suddenly. But I would like to suggest that if the retention of controls is retarding production, later on it may be more difficult and more dangerous (from the inflationary angle) to release these controls.

I am sure that you do not believe the way to solve the problem and prevent inflation is to continue price controls indefinitely. The best answer to high prices is an increased supply of goods. When that supply approaches the demand, the price problem is on its way to a sound solution, in my judgment.

I am aware that you are in closer touch with this situation than I am, but at the same time I feel that every effort should be made to eliminate price controls at the earliest possible moment. And the longer it is postponed, the harder it will be to let go.

Sincerely,

ARTHUR CAPPER.

NOVEMBER 10, 1945.

Senator ARTHUR CAPPER,  
Mayflower Hotel, Washington, D. C.:  
As a merchant of automotive equipment and other heavy goods we are finding there



is no supply of goods because OPA price regulations won't permit manufacturers to make them at a profit. This situation is becoming alarming. It is our sincere belief that the manufacturer and all others who have any part in distribution of goods to the consuming public will have to have a proper compensation that will more than equal cost and leave something for a profit or the whole scheme is going to bog down. I also observe that the public is anxious to buy the things they need and are willing to pay a fair price for them. Any further delay caused from sidestepping the facts is doing much more harm than good. The Congress of the United States is the only hope the people have left.

H. H. MACK,  
Mosby Mack Motor Co.,  
Topeka, Kans.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. OVERTON, from the Committee on Commerce:

H. R. 1902. A bill to amend section 4 of the act entitled "An act for the control of floods on the Mississippi River and its tributaries and for other purposes," approved May 15, 1928; without amendment (Rept. No. 718).

By Mr. MAGNUSON, from the Committee on Commerce:

S. 1516. A bill to amend section 12 of the Bonneville Project Act, as amended; without amendment.

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 4407. A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; with amendments (Rept. No. 719).

From the Committee on Post Offices and Post Roads:

H. R. 304. A bill to amend the act authorizing postmasters in Alaska to administer oaths and affirmations; with an amendment (Rept. No. 720);

H. R. 697. A bill relating to clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes; with amendments (Rept. No. 723);

H. R. 2543. A bill to require weekly newspapers enjoying mailing privileges to make sworn statements with respect to their circulation; without amendment (Rept. No. 724);

H. R. 3709. A bill to amend section 2 of the act of May 29, 1928, and section 3 of the act of March 29, 1944, affecting the compensation of postmasters; with an amendment (Rept. No. 721); and

H. R. 4127. A bill to amend the act entitled "An act authorizing the Postmaster General to adjust certain claims of postmasters for loss by burglary, fire, or other unavoidable casualty," approved March 17, 1882, as amended; with an amendment (Rept. No. 722).

By Mr. BILBO, from the Committee on the District of Columbia:

S. 1189. A bill to provide for voluntary apprenticeship in the District of Columbia; without amendment (Rept. No. 725);

S. 1212. A bill to amend section 12 of the act entitled "An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes," approved July 2, 1940; without amendment (Rept. No. 726);

S. 1278. A bill to provide for the taxation of rolling stock of railroad and other companies operated in the District of Columbia, and for other purposes; without amendment (Rept. No. 727);

S. 2874. A bill to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify

in its bylaws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation; without amendment (Rept. No. 728);

H. R. 3636. A bill relating to the sale, in the District of Columbia, of certain small rockfish; without amendment (Rept. No. 729);

H. R. 3867. A bill to amend the Code of Laws for the District of Columbia with respect to the making and publishing of annual reports by trust companies; without amendment (Rept. No. 730);

H. R. 3868. A bill to provide that veterans may obtain copies of public records in the District of Columbia, without the payment of any fees, for use in presenting claims to the Veterans' Administration; without amendment (Rept. No. 731);

H. R. 3873. A bill to provide for the opening of a road within the boundaries of the District of Columbia Training School property in Anne Arundel County, Md.; without amendment (Rept. No. 732);

H. R. 3979. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; without amendment (Rept. No. 733); and

H. J. Res. 236. Joint resolution providing for the continuance of the tax-exempt status of certain property in the District of Columbia when used and occupied by any department, agency, or instrumentality of the United States of America or by the American Red Cross; without amendment (Rept. No. 734).

By Mr. WHERRY, from the Committee on Claims:

S. 845. A bill for the relief of Mabel Fowler; without amendment (Rept. No. 735).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 2310. A bill for the relief of James A. Brady; without amendment (Rept. No. 736);

H. R. 2512. A bill for the relief of Helen Aiton and Edwin Aiton; without amendment (Rept. No. 737);

H. R. 2335. A bill for the relief of Albert E. Sevens; with an amendment (Rept. No. 738); and

H. R. 2835. A bill for the relief of James Lynch; with an amendment (Rept. No. 739).

By Mr. HUFFMAN, from the Committee on Claims:

H. R. 2810. A bill for the relief of Mrs. Stuart B. Riley; without amendment (Rept. No. 740).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1586. A bill for the relief of Troy Charles Davls, Jr.; to the Committee on Claims.

By Mr. MITCHELL:

S. 1587. A bill to provide for the immediate release of all fathers from the armed forces; to the Committee on Military Affairs.

By Mr. WHEELER:

S. 1588. A bill for the relief of Mrs. Lona Wilson; to the Committee on Claims.

S. 1589. A bill to authorize the Secretary of War to convey certain lands situated within Fort William Henry Harrison to the State of Montana; to the Committee on Military Affairs.

By Mr. BARKLEY:

S. 1590. A bill to authorize the President to appoint Graves Blanchard Erskine, major general, United States Marine Corps, to the office of Retraining and Reemployment Administrator, without affecting his service status and perquisites; to the Committee on Naval Affairs.

By Mr. ELLENDER (by request):

S. 1591. A bill to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary

in the accounts of Guy F. Allen, Chief Disbursing Officer; to the Committee on Claims.

(Mr. WAGNER (for himself, Mr. ELLENDER, and Mr. TAFT) introduced Senate bill 1592, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. YOUNG (for himself and Mr. KILGORE) introduced Senate bill 1593, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. VANDENBERG:

S. 1594. A bill granting an increase of pension to Mrs. Mary Davis (with accompanying papers); to the Committee on Pensions.

By Mr. McMAHON:

S. 1595. A bill for the relief of the estate of Warren Gilbert Dugan; to the Committee on Claims.

By Mr. BARKLEY (for Mr. TAYLOR and Mr. MURRAY):

S. 1596. A bill to amend the Gold Reserve Act of 1934, to provide for the coinage of gold, and for other purposes; to the Committee on Banking and Currency.

#### AMENDMENT OF SOCIAL SECURITY ACT

Mr. YOUNG. Mr. President, on behalf of the Senator from West Virginia [Mr. KILGORE] and myself, I ask unanimous consent to introduce for appropriate reference a bill to amend the Social Security Act, as amended, for the purpose of permitting States, and political subdivisions and instrumentalities thereof, to secure coverage for their officers and employees under the old-age and survivors insurance provisions of such act.

In connection with the bill, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted by the League of North Dakota Municipalities.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from North Dakota will be received and appropriately referred; and without objection, the resolution will be appropriately referred and printed in the RECORD.

The bill (S. 1593) to amend the Social Security Act, as amended, for the purpose of permitting States, and political subdivisions and instrumentalities thereof, to secure coverage for their officers and employees under the old-age and survivors insurance provisions of such act, introduced by Mr. YOUNG (for himself and Mr. KILGORE), was read twice by its title and referred to the Committee on Finance.

The resolution presented by Mr. YOUNG was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States has enacted certain legislation commonly known as social-security legislation, by the terms of which a fund is created by deduction from the wages of employees and by payments by employers, by which employees reaching certain ages may retire from active work and receive the benefits by way of monthly payments from the social-security fund; and

Whereas such legislation as enacted by the Congress does not include public employees and no provision is made by law for the creation of any retirement or pension funds for people in the service of municipalities and other public employment: Now, therefore, be it

Resolved by the League of North Dakota Municipalities, That we jointly and individually urge our Senators and Representatives to present, and, if possible, procure, an

79TH CONGRESS }  
1st Session }

SENATE

{ REPORT  
No. 749FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION ACT, 1946

NOVEMBER —, 1945.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted  
the following

## REPORT

[To accompany H. R. 4407]

The Committee on Appropriations to whom was referred the bill (H. R. 4407) entitled "An act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes," report the same to the Senate with various amendments and submit herewith information relative to the changes made.

Agency	Amount of rescissions recommended by House	Amount of rescissions recommended by Senate	Difference
Executive departments and various independent agencies:			
Cash.....	\$2,956,807,646	\$2,942,068,227	-14,739,419 <sup>00</sup>
Contract authorization.....	930,461,208	929,961,208	-500,000 <sup>00</sup>
Military Establishment, cash.....	30,903,090,564	29,752,017,993	-1,151,072,571 <sup>00</sup>
Naval Establishment:			
Cash.....	14,604,721,830	14,309,609,614	-295,112,216 <sup>00</sup>
Contract authorization.....	3,257,442,131	3,311,072,671	+53,630,540 <sup>00</sup>
Corporate funds.....	1,190,500	1,190,500	-----
Total.....	52,653,713,879	51,245,920,213	-1,407,793,666 <sup>00</sup>



## RETRACTIONS OF RESCISSIONS

## Title I—Executive Office of the President, Independent Offices, and Executive Departments

Foreign Economic Administration.....\$1, 789, 419

The functions of the Foreign Economic Administration were transferred to the Departments of State, Agriculture, and Commerce by Executive order. In order to carry on the functions so transferred it is estimated that a minimum of \$7,244,735 will be required for the remaining 8 months of the fiscal year.

The rescission proposed by the House of \$5,226,461 would have left a total of \$11,523,539 available to this agency for the entire fiscal year. As of Oct. 31, 1945, obligations amounted to \$6,068,223, leaving a balance available for the remaining 8 months of the fiscal year of \$5,455,316. As recommended by the committee, the rescission would amount to \$3,437,042, which is the amount submitted in H. Doc. No. 280. Deducting this amount from the appropriation of \$16,750,000 made to the Foreign Economic Administration would leave a total of \$13,312,958 available. From this amount must be deducted \$6,068,223, which is the amount of the obligations through October, leaving available for obligations during the remaining 8 months of the fiscal year the sum of \$7,244,735.

Considerable work still remains to be done in connection with lend-lease, UNRRA, control of exports, foreign procurement of raw materials, the Technical Industrial Intelligence Committee, and the clearing office for foreign transactions and reports, and the lack of sufficient funds being available would result in many important economic studies, records, accounts, and skills gathered at considerable cost to the Government being incomplete. Much of the information and special techniques pertaining to foreign activities and economics will be very useful both to the Government, private trade, and industry.

Office of War Information.....5, 000, 000

The appropriation for this agency for the fiscal year 1946, amounts to \$35,000,000. Of this amount, the House composed a rescission of \$10,662,558, leaving a balance for the whole fiscal year of \$24,337,442. Of that amount, there is available to the State Department \$23,959,149. Deducting \$13,696,113, the amount of obligations through October 31, 1945, would leave available for obligation during the remaining 8 months of the fiscal year the sum of \$10,263,036. The retraction of \$5,000,000 recommended by the committee would make available to the Department \$15,263,036. for the remaining 8 months. The estimated obligation for November and December amount to \$4,585,000, leaving for the 6 months beginning Jan. 1, 1946, the sum of \$10,678,036. This sum would be available for the maintenance of a reduced international short-wave program, to meet commitments to military authorities for information-control work in occupied areas, continuation of information programs in the rest of the world outside Latin America, servicing foreign posts with news, films, motion pictures, publications, and other informational material, and for liquidation costs.



Office of Strategic Services ----- \$2, 000, 000

The functions of this Office were transferred by Executive order to the State and War Departments. The original appropriation for 1946 was \$20,000,000. Of this amount, the House proposed a rescission of \$11,500,000, leaving a balance available for the whole fiscal year of \$8,500,000. Of this amount \$6,000,000 represents obligations through Sept. 30, 1945, leaving \$2,500,000 for the period Oct. 1, 1945, to June 30, 1946. The committee recommends a retraction in the rescission of \$2,000,000, making available for intelligence work \$4,500,000 for the period Oct. 1, to June 30, 1945.

Federal Communications Commission ----- 930, 000

The appropriation for 1946 was \$2,430,000. The House recommended a rescission of \$930,000, leaving available for the whole fiscal year period the sum of \$1,500,000. The obligations through Sept. 30, 1945, amounted to \$765,736, leaving available for the period Oct. 1, 1945 to June 30, 1946, the sum of \$734,264. The committee recommends a retraction of the entire rescission of \$930,000. The funds available to the Commission would then be \$1,664,264. These funds will be used to continue the Foreign Broadcast Intelligence Service, the importance of which to the State Department was testified to by the officials of the State Department and the Radio Intelligence Division. The foreign Broadcast Intelligence Service is responsible for the monitoring (recording, translating, and reporting) of foreign broadcasts and the Radio Intelligence Division for the policing of the radio spectrum to insure against unlicensed operation and to prevent interference with authorized radio communications.

## Department of Agriculture:

### Emergency rubber project:

It is recommended by the committee that the following paragraph be stricken from the bill:

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

and the following inserted in lieu thereof:

*Emergency rubber project, \$1,649,790, and the balance remaining shall be used under the direction of the Secretary of Agriculture to liquidate such project in an orderly manner immediately on the passage of this Act, including selling the two mills as individual units and disposal of each lease by sale or by contractual arrangement; and for field and laboratory research on the various phases of guayule and retaining all needed property and equipment to carry out this purpose.*

The House language provides for the elimination of the remaining guayule plantations and the rehabilitation and return of the leased lands to the owners and also for the continuation of research work until June 30, 1946. The Senate language provides for the orderly liquidation of the project including the sale of the mills and the disposal of leases by sale or by contract arrangement, and for the continuation of research but does not place any time limit on liquidation of the project.

## Interior Department:

Division of Geography-----	\$20, 000
War Relocation Authority-----	5, 000, 000

The appropriation for 1946 was \$25,000,000. The House proposes a rescission of \$5,000,000. The committee recommends the retraction of the entire rescission. Testimony before the committee was to the effect that all of the centers will be closed by January except Tule Lake. The closing of Tule Lake is dependent upon the ability of the Department of Justice to take over on the first of the year all of the people at Tule Lake for whom they will be responsible. However, even with the closing of the centers considerable work will be necessary in connection with the disposal of the movable equipment, amounting to some \$20,000,000, and also all of the fixed assets which have to be processed and turned over to surplus.

## Federal Works Agency:

Public Roads Administration: Access roads (contract authorization)-----	500, 000
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The bill as passed by the House provided for a rescission of \$3,076,845. Since the passage of the bill applications have been made by mine operators for maintenance of a number of access roads built to sources of raw materials. In order to provide for the continued maintenance of these access roads the committee recommends a retraction in the rescission of \$500,000.

## Alien Property Custodian:

The bill as it passed the House proposed a rescission of \$500,000 in the amount available to the Alien Property Custodian for administrative expenses. The committee recommends the retraction of the entire rescission. The Alien Property Custodian testified to the effect that if the Alien Property Custodian's Office is required to absorb a cut of \$500,000 in its administrative expenses it will be impossible to perform the duties imposed by law.

Total amount of retractions in rescissions under title I:

Cash-----	14, 739, 419
Contract authorizations-----	500, 000

## Title II—Military Establishment

## Office of Secretary of War:

Contingencies of the Army-----	2, 000, 000
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The bill as passed the House proposed a rescission of \$12,829,151. The committee recommends a retraction in that rescission of \$2,000,000. Representations were made to the committee that the \$2,000,000 would be necessary to finance certain special activities during the last half of the fiscal year.

## Quartermaster Corps:

Quartermaster service, Army----- \$45, 312, 000

The bill as it passed the House proposed a rescission of \$3,944,994,479. The committee was informed that the Department had received mules valued at \$312,000 and supplies valued at \$40,000,000 but no funds were available to make payment therefor because of the rescission. The committee recommends a retraction in the rescission of \$40,312,000 to cover these two items. The committee also recommends a further retraction of \$5,000,000 in the rescission applicable to "Welfare of enlisted men."

## Signal Corps:

Signal Service of the Army----- 7, 500, 000

The rescission proposed by the House amounted to \$1,679,434,000. The committee recommends a retraction in the rescission of \$7,500,000. This amount will be used to augment the funds available for research and development.

## Air Corps:

Air Corps, Army----- 853, 000, 000

The bill as passed the House proposed a rescission of \$12,166,313,000. The committee recommends a retraction in the rescission of \$853,000,000 as follows:

For transfer to "Pay of the Army" - \$204, 000, 000  
For operating expenses----- 564, 000, 000  
For research and development--- 85, 000, 000

There was an unobligated balance on July 31 of \$7,623,638,241. Recoveries through reimbursements and cancellations will raise such amount to \$16,860,092,718. As recommended by the committee, of this sum, \$3,740,497,999, will be used to supplement the Army's pay appropriation, and \$11,313,313,000 is proposed for rescission. That would leave \$1,806,281,719 for obligation over the period Aug. 1, 1945, to June 30, 1946.

It is also recommended by the committee that the following proviso be added to the bill:

*: Provided, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor*

## Medical Department:

Medical and Hospital Department, Army----- 500, 000

The bill as passed by the House proposes a rescission of \$268,039,000. The committee recommends a retraction in the rescission of \$500,000. This amount will be used to augment the funds available to the Medical Department for research and development.



## Corps of Engineers:

Engineer Service, Army-----

\$42, 760, 571

The bill as passed by the House proposes a rescission of \$2,349,523,571. The committee recommends a retraction in the rescission of \$42,760,571. This amount was actually recommended for rescission under the subappropriation "Barracks and quarters" but was inadvertently applied to "Engineer service." Inasmuch as a subsequent rescission recommendation of \$76,000,000 was applied to "Barracks and quarters," which included the \$42,460,571 referred to above, the committee recommends that the duplicate amount be retracted from the total amount of rescission and the subappropriation "Engineer service" rescission be reduced accordingly.

## Ordnance Department:

Ordnance Service and Supplies, Army-----

200, 000, 000

It is recommended by the committee that \$200,000,000 of the rescission proposed by the House of \$8,300,000,000 be retracted and that that sum be transferred to the appropriation "Army of the Philippines." The committee has also added the following language to the bill to govern the expenditure of the appropriation "Army of the Philippines":

*Army of the Philippines, \$200,000,000: Provided, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: Provided further, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: Provided further, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.*

Total amount of retractions in rescissions under title II; cash-----

1, 151, 072, 571

## Title III—Naval Establishment

## Office of the Secretary:

Miscellaneous expenses..... \$2, 200, 000

The committee recommends that the amount of rescission proposed by the House be reduced from \$13,000,000 to \$10,800,000, which is the amount of rescission submitted in H. Doc. No. 286. It was represented to the committee that to absorb the additional cut of \$2,200,000 it would be necessary to apply a considerable part to communications, the major subhead under this appropriation. It was also testified to that certain things in connection with demobilization have increased the expenses; such as termination of contracts, and personnel separation, where, in order to get officers and men out, there is telephoning between the Navy Department and separation centers and as to contract termination between the inspectors. Demobilization of ships itself causes a great deal of correspondence and wiring.

## Bureau of Naval Personnel:

Instructions, Navy..... 3, 000, 000

It is recommended by the committee that the amount of rescission proposed by the House be reduced from \$9,000,000 to \$6,000,000 the amount submitted in H. Doc. No. 286. To absorb the additional cut of \$3,000,000 proposed by the House would require serious curtailment in the training program, and result in discontinuing part of the radio technician program, in closing one and possibly both fleet service schools, one of the oriental language schools, and most of the fire fighters' schools. The committee feels that the reduction in training programs is too drastic and recommends a retraction in the rescission of \$3,000,000.

Naval Reserve..... 11, 738, 000

The committee recommends a reduction in the rescission proposed by the House from \$50,000,000 to \$38,262,000. The \$11,738,000 recommended by the committee to be restored will enable the Department to carry the V-12 students being prepared for V-5 entry until June 30, 1946, at an estimated cost of \$3,500,000. The rest of the V-12 program is to be carried on until Mar. 31, 1946, at which time it is to terminate. Under the committee's recommendation, \$5,100,000 is for use under the aviation component for Naval Aviation Reserve pilots' refresher training.

## Bureau of Ordnance:

Ordnance and ordnance stores, Navy..... 49, 549, 000

The committee recommends a reduction in the rescission proposed by the House from \$2,600,000,000 to \$2,550,451,000, the amount submitted in House Document No. 286. The original rescission of \$2,550,451,000 represents approximately 85 percent of their total appropriation for 1946. If the additional rescission of \$49,549,000 should stand, the Ordnance Department would suffer a cut of approximately 87 percent. The committee feels that such a cut is too drastic and recommends that \$49,549,000 be retracted.

## Bureau of Supplies and Accounts:

Pay, subsistence, and transportation, 1944----- \$58, 967, 016

The committee recommends that the amount of the rescission proposed by the House be reduced from \$128,214,285 to \$69,247,269. Since the submission of an indicated saving of \$128,214,285, expenditure reports have been received by the Department showing an unexpended balance of \$121,387,347. In addition, outstanding obligations are such that it will be necessary in all to retract \$58,967,016 of the proposed rescission.

## Bureau of Yards and Docks:

Maintenance, yards and docks----- 10, 000, 000

It is recommended by the committee that the amount of the rescission proposed by the House be reduced from \$15,000,000 to \$5,000,000.

With the exception of the pay of civilian clerical personnel actually employed in the separation offices, this appropriation is charged with the maintenance and operation of all shore activities being used, the pay of all administrative, laborers, and artisan employees, fire protection, the furnishing of utilities, including electricity and water, the cost of fuel and operation of power and heating plants, the repair operation of all motor transportation facilities, laundering and costs of all consumable supplies, fuel for heating plants and galleys, cleaning and garbage collections, guard services, etc.

It was pointed out to the committee that additional added purposes not previously budgeted have materialized, including furnishing mattresses, blankets, pillows, sheets, etc., for 20 separation centers, equipping additional centers, maintenance and operation of intake centers, maintenance responsibility of submarine base, New London, caused by transfer of Navy-owned victory yard of Electric Boat Co. as part of this activity, and added responsibility caused by use of Camp Peary at Williamsburg for boot training of 26,000 recruits. It was also pointed out that in addition to the foregoing, added expenditures have accrued because of necessity for increases in civilian personnel complements to replace enlisted personnel that have been utilized for maintenance purposes at many shore activities and as fire-fighting personnel, guards, chauffeurs, etc.; replacement of volunteer Red Cross chauffeurs at district headquarters with civilian; anticipated increase in labor force at operational activities caused by replacement of prisoners of war; as well as contingent expenditures not budgeted for such purposes of storm damage, fire damage, collision, and explosion.

The amount of saving which the Department recommended and which was submitted in House Document No. 286 was \$1,000,000. The House raised that amount to \$15,000,000.

The Department stated that it felt that it would be unable to absorb the additional cut made by the House and that added purposes of expenditure as indicated above would make it doubly difficult to meet the demands upon this appropriation. The committee, therefore, recommends that \$10,000,000 of the additional rescission proposed by the House be restored to the appropriation.



## Bureau of Aeronautics:

Aviation, Navy ----- \$156, 608, 200

The rescission proposed by the House was \$1,481,300,000, which is \$69,351,700 more than the saving recommended by the Department. The committee recommends the retraction of \$69,351,700, and also a further retraction of \$87,256,500, which latter amount shall be available for research and development work.

## Marine Corps:

Pay, Marine Corps, 1944 ----- 800, 000

Since the submission of the indicated saving of \$41,321,480, claims for pay and allowances against this appropriation have been approved by the Comptroller General, and other such claims are still coming in and are in the process of being approved, which will reduce the indicated saving by \$800,000. It is, therefore, recommended that the rescission in this appropriation be changed from "\$41,321,480" to "\$40,521,480."

General Supplies ----- 2, 250, 000

The committee recommends that the amount of rescission proposed by the House of \$310,000,000 be reduced to \$307,750,000, or a retraction in the rescission of \$2,250,000.

Public Law 190, approved October 6, 1945, provides for a furlough-travel allowance of 5 cents per mile to men reenlisting for the distance between their homes and the place at which they are stationed, and for the distance between their homes and the place at which they are ordered to report for duty at the end of furlough or leave. It is estimated that the enactment of this law will require an additional \$2,250,000 in the subhead "Transportation of troops—Recruiting" of the appropriation "General expenses, Marine Corps." This charge against the appropriation "General expenses" was not contemplated at the time the saving in this appropriation was submitted to Congress. Therefore, it is necessary to retract \$2,250,000 of the proposed rescission in order to provide necessary funds to carry out Public Law 190.

## Increase and replacement of naval vessels:

The committee recommends that the proviso relative to the beginning of construction on any new vessel be amended to read as follows:

*: Provided, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1964 against the construction of five advanced type combatant vessels and seventeen minor craft*

## Increase and replacement of naval vessels—Con.

The testimony before the committee was to the effect that the Department was desirous of proceeding with certain experimental motor torpedo boats and experimental amphibious tractors in order to gain or retain the experience of those engineers that worked on these types of craft during the war period, who otherwise will disappear. The committee was also advised of the need for shallow-draft mine sweepers for use in the Yangtze River. The Department also indicated that it was important that five advanced type combatant vessels be constructed.

Total amount of retractions in rescissions  
under title III: Cash-----

\$295, 112, 216

## ADDITIONAL RESCISSIONS

## Bureau of Yards and Docks:

Public works, Navy-----

53, 630, 540

The committee recommends a further rescission of \$53,630,540 to be applied to new construction in continental United States. It is the feeling of the committee that no new permanent construction of hospitals should be undertaken at this time and that the program for berthing facilities should be greatly curtailed. Attention is called to the provision in the current appropriation Act relative to the type of construction to be undertaken, which reads as follows:

No part of the appropriations or contract authorization in this Act under the Navy Department shall be used for a permanent type of construction at any shore establishment of any character acquired subsequent to the calendar year 1938, unless such establishment shall be designated by the Secretary as a permanent establishment, and, in that event, a permanent type of construction shall be used only to meet such permanent requirements as the Secretary may approve: *Provided*, That nothing herein shall prevent construction of a type sufficiently substantial for the use intended nor apply to construction projects now under contract or in progress: *Provided further*, That no part of such appropriations or contract authorization may be used for the construction of quarters, including heating and plumbing apparatus, wiring and fixtures, for greater amounts per unit than follow:

The committee also has added the following proviso which is proposed in order that the rescission of \$400,000,000 cash shall not act to further reduce the contract authority:

*: Provided, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority.*

Total additional rescissions under  
Title III contract authorization-----

53, 630, 540

## General provisions, Navy:

Issuance of clothing to certain enlisted personnel of the Navy:

The committee recommend that the following paragraph be stricken from the bill:

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.

and that the following be inserted in lieu thereof:

*Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced.\** *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

Thousands of men are being returned to the United States from all corners of the globe. It was pointed out to the committee that a small percentage of the men, but numbering in the thousands, being returned are dressed only in khaki and some only in dungarees, and that for one reason or another they do not have a blue uniform or overcoat with them. These items are essential for their protection against the rapidly approaching winter weather.

The reasons for the absence of the blue uniforms and overcoats were given as follows: The kind of duty these men have been performing precluded the wearing of such articles of clothing, and furthermore, the temperatures of the climates in which they operated were for the most part tropical. In some cases the Navy commanders directed the enlisted men to leave their uniforms in the States; in other cases their uniform has been deteriorated, destroyed, or lost due to mildew and mold; in other cases the men have been separated from their baggage due to types of transportation employed and there are many other cases where losses have occurred through no fault of the men.



## General provisions, Navy—Continued

The Department stated that in all fairness it could not ask these enlisted men who are about to become civilians to spend \$33 for a uniform which they will wear only a few days, but that notwithstanding this, they must be properly clothed to stand the rigor of winter weather and to present a proper appearance upon their return home.

For the reasons stated, the Navy feels the responsibility for making articles of clothing available from stocks on hand, and points out that unless this is done, these stocks will become surplus and be disposed of ultimately with an appreciable inventory loss.

The amendment as recommended by the committee rests in the Secretary of the Navy authority to issue, without charge, 1 hat, 1 dress blue jumper, 1 pair of blue trousers, and 1 overcoat, or such of these items as may be necessary, to every enlisted man not having these articles in his possession immediately prior to discharge.

## Certain personnel of the Naval Reserve:

The committee recommend that the following provision be added to the bill:

*Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.*

There are a number of officers in the Naval Reserve who are specialists of various kinds, and who are in the naval shore plant, and, consequently, do not have enough points for release, particularly if they are not married and if they are younger men. There were some 33,000 of these officers in the Navy, of which approximately 23,000 were in the continental United States. They are not qualified for sea duty, and, therefore, cannot be used to relieve high-point men being discharged from the fleet. Some of them are in the so-called limited-service class.

There has been a policy in the War Department recently, which is also being followed in the Coast Guard, whereby if an officer is surplus—that is, he has no job, he is discharged without regard to the point system. Under the amendment proposed by the committee, personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty provided such personnel is surplus to requirements.

## Transportation of dependents and household effects:

The committee recommend that the following provision be added to the bill:

*The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such loca-*

## General provisions, Navy—Continued

Transportation of dependents and household effects—  
Continued

*tions outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Naval Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.*

Foreign-born wives of servicemen, married overseas, mainly Australian and English, are being returned in some cases to this country in indigent circumstances. The purpose of the amendment proposed by the committee, which was requested by the Navy Department, is to grant authority to the Department to provide travel for these wives of servicemen from point of arrival in the United States to their new homes. Similar authority was granted in the War Department Appropriation Act, 1946.

## Total amount of retractions in rescissions:

## Cash:

Title I-----	\$14, 739, 419
Title II-----	1, 151, 072, 571
Title III-----	295, 112, 216

Total, cash, title I, II, and III-----	1, 460, 924, 206
Contract authorizations: Title I-----	500, 000

## Total amount of retractions in rescissions:

Titles I, II, and III-----	1, 461, 424, 206
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## Total additional rescission:

Contract authorization: Title III-----	53, 630, 540
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Total cash rescission proposed by House: Titles I, II, and III-----	48, 464, 620, 040
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Total cash retractions in rescissions recommended by committee: Titles I, II, and III-----	1, 460, 924, 206
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Total cash rescissions recommended by committee: Titles I, II, and III-----	47, 003, 695, 834
---	-------------------

Total contract authority rescission proposed by House-----	4, 187, 903, 339
--	------------------

Additional rescission in contract authority recommended by committee (net)-----	53, 130, 540
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Total contract authority rescission recommended by committee-----	4, 241, 033, 879
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14 FIRST SUPPLEMENTAL APPROPRIATION RESCISSION ACT, 1946

Recovery of corporate funds proposed in bill to extent of .....	\$1, 190, 500
---	---------------

The bill, therefore, as reported to the Senate, proposes:

- |   |                   |
|---|-------------------|
| (1) To rescind cash appropriations in the amount of ..... | 47, 003, 695, 834 |
| (2) To rescind contract authority in the amount of .....  | 4, 241, 033, 879  |
| (3) To recover corporate funds to the extent of .....     | 1, 190, 500       |

Grand total of rescissions recommended in bill as reported to Senate .....	51, 245, 920, 213
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○







[SUBCOMMITTEE PRINT]

Calendar No.

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 4407**

[Report No.     ]

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IN THE SENATE OF THE UNITED STATES

OCTOBER 22, 1945

Read twice and referred to the Committee on Appropriations

NOVEMBER     , 1945

Reported by Mr. -----, with amendments

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*  
3     That the appropriations and contractual authorizations of the  
4     departments and agencies available in the fiscal year 1946,  
5     and prior year unreverted appropriations, are hereby reduced  
6     in the sums hereinafter set forth, such sums to be carried to  
7     the surplus fund and covered into the Treasury immediately  
8     upon the approval of this Act:



1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, ~~\$5,226,461~~ \$3,437,042, and  
8 limitations under this head are hereby decreased as fol-  
9 lows: (1) Travel within continental United States from  
10 “\$234,000” to “~~\$150,000~~ \$190,000”, (2) reimburse-  
11 ment to employees for emergency or extraordinary ex-  
12 penses from “\$75,000” to “~~\$40,000~~ \$50,000”, and (3)  
13 expenses of a confidential character from “\$1,200,000”  
14 to “~~\$25,000~~ \$100,000”.

15 Penalty mail costs, \$12,440.

16 National War Labor Board:

17 Salaries and expenses, \$1,566,500.

18 Office of Defense Transportation:

19 Salaries and expenses, \$3,075,000, and limitations  
20 under this head are hereby decreased as follows: (1)  
21 Traveling expenses from “\$452,500” to “\$150,000”,  
22 (2) printing and binding from “\$47,500” to “\$14,000”  
23 (of which the amount available outside continental  
24 United States is decreased from “\$1,800” to “\$500”),

1 and (3) penalty mail costs from “\$118,900” to  
2 “\$53,000”.

3 Office of Economic Stabilization:

4 Salaries and expenses, \$53,780, and limitations  
5 under this head are hereby decreased as follows: (1)  
6 Penalty mail costs from “\$2,250” to “\$1,500”, (2)  
7 traveling expenses from “\$4,500” to “\$4,000”, and  
8 (3) printing and binding from “\$2,000” to “\$1,600”.

9 Office of Inter-American Affairs:

10 Salaries and expenses, \$1,500,000.

11 Office of Scientific Research and Development:

12 Salaries and expenses, \$56,101,792.

13 Office of War Information:

14 Salaries and expenses, ~~\$10,662,558~~ \$5,662,558, and  
15 limitations under this head are hereby decreased as fol-  
16 lows: (1) Temporary employment in the United States  
17 by contract or otherwise without regard to the civil  
18 service and classification laws from “\$45,800” to  
19 “~~\$25,000~~ \$30,000”, (2) travel within continental  
20 United States from “\$267,500” to “~~\$230,000~~ \$240,-  
21 000”, (3) printing and binding within continental  
22 United States from “\$1,000,000” to “~~\$550,000~~  
23 \$600,000”, and (4) to meet emergencies of a con-  
24 fidential character from \$250,000” to “~~\$40,000~~ \$50,-  
25 000”.

1 War Manpower Commission:

2 General administration, \$71,194.

3 Apprentice training service (national defense),  
4 \$131,500, and the balance to remain available until  
5 December 31, 1945.

6 Training Within Industry Service (national de-  
7 fense), \$125,000, and the balance to remain available  
8 until December 31, 1945.

9 Migration of workers, \$479,000.

10 War Production Board:

11 Salaries and expenses, \$10,000,000, and limitations  
12 under this head are hereby decreased as follows: (1)  
13 travel expenses from "\$1,944,000" to "\$954,000",  
14 (2) penalty mail costs from "\$210,000" to  
15 "\$105,000", (3) printing and binding from "\$648,-  
16 000" to "\$346,000", and (4) salary of the head of the  
17 agency from "\$15,000" to "\$12,000", except that so  
18 long as the position is held by the present incumbent  
19 the salary shall remain at \$15,000.

20 War Shipping Administration:

21 Revolving fund, \$195,452,000.

22 Maritime training fund, \$25,000,000.

23 Marine and war risk insurance fund, revolving fund,  
24 \$91,000,000.

25 Office of Censorship: Salaries and expenses, \$8,200,000.



Office of Price Administration:

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000".

Office of Strategic Services:

Salaries and expenses, ~~\$11,500,000~~ \$9,500,000, and limitations under this head are hereby decreased as follows: (1) expenditures without regard to provisions of law and regulations from "\$10,500,000" to "~~\$2,000,000~~ \$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "~~\$1,750,000~~ \$2,750,000".

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

In all, Office for Emergency Management, ~~\$447,886,225~~ \$439,096,806.

1     EMERGENCY FUNDS APPROPRIATED TO THE  
2                                     PRESIDENT

3         Emergency fund for the President, national defense,  
4     \$45,000,000.

5         Defense aid—lend-lease:

6             (1) Ordnance and ordnance stores, supplies, spare parts,  
7     and materials, \$57,990,000.

8             (2) Aircraft and aeronautical material, \$85,705,000.

9             (3) Tanks, armored cars, automobiles, trucks, and other  
10    automotive vehicles, spare parts, and accessories, \$24,-  
11    461,000.

12            (4) Vessels, ships, boats, and other watercraft, \$76,-  
13    080,000.

14            (5) Miscellaneous military equipment, supplies and  
15    materials, \$8,963,000.

16            (6) Facilities and equipment for the manufacture or  
17    production of defense articles, by construction or acquisition,  
18    \$17,937,000.

19            (7) Agricultural, industrial, and other commodities  
20    and articles, \$1,351,216,000, and the \$500,000,000 made  
21    available by title II of the Second Deficiency Appropriation  
22    Act, 1945, as a reserve for expenditure for postwar price  
23    support of agriculture shall be paid to the Commodity Credit  
24    Corporation and continued as a reserve fund for expendi-

1 ture, as and when necessary, for the postwar price support  
2 of agriculture.

3 (7b) For testing, inspecting, proving, repairing, out-  
4 fitting, reconditioning, or otherwise placing in good work-  
5 ing order any defense articles for the government of any  
6 country whose defense the President deems vital to the  
7 defense of the United States, \$73,266,000.

8 (7d) For necessary services and expenses for carrying  
9 out the purposes of such Act not specified or included in  
10 the foregoing, \$43,943,000.

11 In all, emergency funds appropriated to the President,  
12 \$1,784,561,000.

### 13 INDEPENDENT OFFICES

14 Civil Service Commission: Salaries and expenses, Civil  
15 Service Commission (national defense), \$2,032,000.

16 Employees' Compensation Commission: Employees'  
17 compensation fund, \$1,761,644.

18 Federal Communications Commission: Salaries and ex-  
19 penses, Federal Communications Commission (national de-  
20 fense), \$930,000.

21 Federal Power Commission: National defense activities,  
22 \$17,628.

23 National Advisory Committee for Aeronautics: Advisory  
24 Committee for Aeronautics, \$2,000,000.



1 Selective Service System: Salaries and expenses, \$2,-  
2 957,500.

3 United States Maritime Commission: Construction fund;  
4 Act June 29, 1936, revolving fund, \$496,500,000.

5 FEDERAL SECURITY AGENCY

6 Public Health Service:

7 Health and sanitation activities, war and defense  
8 areas (national defense), \$392,568.

9 Malaria and diseases of tropical origin (national de-  
10 fense), \$1,862,501.

11 Training for nurses (national defense), \$15,557,000,  
12 and the limitation on the amount which may be expended  
13 for administrative expenses is hereby decreased from  
14 "\$788,255" to "\$611,322".

15 SOCIAL SECURITY BOARD

16 There is appropriated, out of any money in the Treasury  
17 not otherwise appropriated, for the fiscal year ending June  
18 30, 1946, for grants to States for administration of unem-  
19 ployment compensation and employment service facilities  
20 operated in conjunction therewith, as authorized in title III  
21 of the Social Security Act, approved August 14, 1935, as  
22 amended, \$30,000,000, which shall be in addition to the  
23 amounts appropriated for such purposes in title II of the  
24 Labor-Federal Security Appropriation Act, 1946.

## FEDERAL WORKS AGENCY

1

2 Office of the Administrator: War public works (com-  
3 munity facilities), \$13,700,000.

4 Public Buildings Administration:

5 Emergency safeguarding of public buildings and  
6 property, \$750,000.

7 Construction of temporary office buildings, Washing-  
8 ton, District of Columbia, unobligated balance.

9 Public Roads Administration: Flight strips (national de-  
10 fense), \$318,008.

## NATIONAL HOUSING AGENCY

11

12 Office of the Administrator:

13 War housing, \$74,355,000.

14 War housing in and near the District of Columbia.  
15 \$3,372,000.

16 Reserves: From the reserve account established by the  
17 National Housing Administrator in the Treasury pur-  
18 suant to section 303 of Public Law 849, Seventy-sixth Con-  
19 gress, approved October 14, 1940, as amended. \$50,000,000.

20 Section 303 of the Act of October 14, 1940, as amended  
21 (42 U. S. C. 1521), is hereby amended by inserting “(a)”  
22 after the figures “303”, and adding the following new sub-  
23 sections:

24 “(b) Moneys derived by the National Housing Admin-

1    istrator from the disposition of property, or from the removal  
2    of temporary housing, acquired or constructed under the  
3    provisions of this Act, of Public Laws Numbered 9. 73, and  
4    353, Seventy-seventh Congress, and of section 201 of the  
5    Second Supplemental National Defense Appropriation Act,  
6    1941, as amended, shall be available for expenses of disposi-  
7    tion and removal, including the establishment of necessary  
8    reserves therefor and administrative expenses in connection  
9    therewith: *Provided*, That moneys derived by said Admin-  
10    istrator from the disposition of any such property or the re-  
11    moval of any such temporary housing may be deposited in a  
12    common fund account or accounts in the Treasury: *And pro-*  
13    *vided further*, That except for necessary reserves authorized  
14    by this Act or by section 201 of the Second Supplemental  
15    National Defense Appropriation Act, 1941, as amended, the  
16    unobligated balances of the moneys deposited into the Treas-  
17    ury from the disposition of any such property or the removal  
18    of any such temporary housing shall be covered at the end of  
19    each fiscal year into miscellaneous receipts.

20       “(c) Moneys in the reserve account established by the  
21    National Housing Administrator pursuant to subsections (a)  
22    and (b) of this section 303 shall not exceed \$25,000,000  
23    at any time: *Provided*, That all moneys in said account shall  
24    be covered into miscellaneous receipts not later than two  
25    years after the President shall have declared that the emer-



1 gency declared by him on September 8, 1939, has ceased  
2 to exist."

3 In all, independent offices, ~~\$666,505,849~~ \$665,575,849.

## 4 EXECUTIVE DEPARTMENTS

### 5 [Non-War]

#### 6 DEPARTMENT OF AGRICULTURE

7 Emergency rubber project, \$1,649,790, and the balance  
8 remaining shall be used to liquidate such project, including  
9 the elimination of the remaining plantations, the rehabilita-  
10 tion and return of leased lands to the owners and the disposal  
11 of other property according to law, and for the continuation  
12 of the production, breeding, and disease phases of guayule  
13 research on indicator plots and experimental areas until  
14 June 30, 1946.

15 *Emergency rubber project, \$1,649,790, and the balance*  
16 *remaining shall be used under the direction of the Secretary*  
17 *of Agriculture to liquidate such project in an orderly manner*  
18 *immediately on the passage of this Act, including selling the*  
19 *two mills as individual units and disposal of each lease by sale*  
20 *or by contractual arrangement; and for field and laboratory*  
21 *research on the various phases of guayule and retaining all*  
22 *needed property and equipment to carry out this purpose.*

23 War Food Administration: Salaries and expenses,  
24 \$3,116,894.

1       Emergency supplies for Territories and possessions,  
2   \$25,000,000.

3       The following appropriations shall be so administered  
4   as to avoid the incurrence of deficiencies therein except for  
5   such added expense occasioned by the Federal Employees  
6   Pay Act of 1945 as it may not be practicable to absorb,  
7   namely:

8       Bureau of Agricultural Economics, salaries and expenses  
9   (crop and livestock estimates).

10      Office of Foreign Agricultural Relations, salaries and  
11   expenses.

12      Agricultural Research Administration:

13          Bureau of Animal Industry, salaries and expenses  
14   (meat inspection) ;

15          Bureau of Plant Industry, Soils, and Agricultural  
16   Engineering, salaries and expenses (fruit, vegetable, and  
17   specialty crops) ;

18          Bureau of Entomology and Plant Quarantine, sala-  
19   ries and expenses (foreign plant quarantine).

20      Forest Service:

21          Salaries and expenses (national forest protec-  
22   tion and management) ;

23          Forest-fire cooperation.

## DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

## DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division of Geography, \$20,000.

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$5,000,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War:

Salaries and expenses, \$275,000, and on April 1,



1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "397,500" to "\$529,000".

#### Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

#### GOVERNMENT IN THE TERRITORIES

Emergency fund, Territories and island possessions (national defense), \$332,000.

## DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$2,480,000.

## DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

United States Employment Service:

Employment office facilities and services: The unexpended and unobligated balances, on the thirtieth day after the date of the enactment of this Act, of appropriations, excluding the appropriation of \$7,791,134 to carry into effect the provisions of section 602 of title IV of the Servicemen's Readjustment Act of 1944,

Public Law 346, Seventy-eighth Congress, made in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall, on such thirtieth day, be carried to the surplus fund and covered into the Treasury.

#### WAR DEPARTMENT

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, ~~\$57,854,572~~ \$52,834,572.

In all, title I, ~~\$2,956,807,646~~ \$2,942,068,227.

#### Miscellaneous Provisions, Title I

#### REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

#### EXECUTIVE OFFICE OF THE PRESIDENT

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.

#### INDEPENDENT OFFICES

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$325,900,000.



## FEDERAL WORKS AGENCY

## Public Roads Administration:

Strategic highway network, \$1,484,363.

Access roads, ~~\$3,076,845~~ \$2,576,845.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE  
EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

## EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

Alien Property Custodian, \$500,000.

## War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

## INDEPENDENT OFFICES

## Smaller War Plants Corporation:

Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

## United States Maritime Commission:

Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

## 1       EXTENDING AVAILABILITY OF APPROPRIATIONS

2       The following appropriations for the fiscal year 1946  
3       are hereby continued available until June 30, 1946, except  
4       as modified in this title.

## 5       Executive Office of the President:

6           Bureau of the Budget, national defense activities,  
7       independent offices:

8           Civil Service Commission, salaries and expenses  
9       (national defense).

10          Federal Communications Commission, salaries  
11       and expenses (national defense).

12          Federal Power Commission: National defense ac-  
13       tivities.

## 14       Federal Security Agency:

15          Office of the Administrator:

16           Salaries and expenses, Office of Community  
17       War Services;

18           Expenses, temporary aid to enemy aliens and  
19       other restricted persons.

## 20       Department of the Interior:

21          Office of the Secretary:

22           Salaries and expenses, Division of Geography,

23       Department of the Interior.

CORPORATE FUNDS TO BE TRANSFERRED TO THE  
TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,

\$315,500.

Prencinradio, Incorporated, \$875,000.

GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.



TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-1946,  
~~\$12,829,151~~ \$10,829,151.

Expediting Production of Equipment and Supplies  
 for National Defense, 1940-1946, \$282,892,000.

General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946,  
 \$124,335,489.

Special Field Exercises, Army, 1942-1946,  
 \$51,246,874.

Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and  
 subappropriations under this head are hereby decreased  
 as follows: (1) Expenses of courts martial, \$36,000;  
 and (2) Apprehension of deserters, \$171,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, ~~\$3,944,~~  
~~994,479~~ \$3,899,682,479, and subappropriations under  
 this head are hereby decreased as follows: (1) Welfare  
 of enlisted men, ~~\$10,000,000~~ \$5,000,000; (2) sub-  
 sistence of the Army, \$1,762,081,479; (3) regular  
 supplies of the Army, ~~\$561,018,000~~ \$521,018,000;  
 (4) clothing and equipage, \$1,563,225,000; (5)

1 horses, draft and pack animals, ~~\$1,670,000~~ \$1,358,000;  
 2 and (6) Army transportation, \$47,000,000.

3 Transportation Corps:

4 Transportation Service, Army, 1945-1946, \$704,-  
 5 268,000.

6 Signal Corps:

7 Signal Service of the Army, 1942-1946, ~~\$1,679,-~~  
 8 ~~434,000~~ \$1,671,934,000.

9 Air Corps:

10 Air Corps, Army, 1942-1946, ~~\$12,166,313,000~~  
 11 \$11,313,313,000: *Provided, That before any permanent*  
 12 *fields are determined upon or permanent buildings*  
 13 *erected thereon the Air Corps shall submit to Congress*  
 14 *a list of such fields and the justification therefor.*

15 Medical Department:

16 Medical and Hospital Department, Army, 1942-  
 17 1946, ~~\$268,039,000~~ \$267,539,000.

18 Corps of Engineers:

19 Engineer Service, Army, 1942-1946, ~~\$2,349,523,-~~  
 20 ~~574~~ \$2,306,763,000, and subappropriations under this  
 21 head are hereby decreased as follows: (1) Engineer  
 22 Service, ~~\$2,054,408,574~~ \$2,011,648,000; (2) Military  
 23 posts, \$148,255,000; and (3) Barracks and quarters,  
 24 Army, \$146,860,000.

1        Ordnance Department:

2            Ordnance Service and Supplies, Army, 1942-1946,  
3        ~~\$8,300,000,000~~ \$8,100,000,000.

4        Chemical Warfare Service:

5            Chemical Warfare Service, Army, 1942-1946,  
6        \$997,870,000.

7        Special Service Schools:

8            Special Service Schools, Army, 1942-1946,  
9        \$178,000, and subappropriations under this head are  
10       hereby decreased as follows: (1) Infantry School,  
11       \$81,000; (2) Cavalry activities, \$22,700; and (3)  
12       Field Artillery activities, \$74,300.

13       Seacoast defenses:

14           Seacoast defenses, general, 1942-1946, \$1,664,000.

15        United States Military Academy: Pay of Military  
16       Academy, 1942-1946, \$21,000.

17        Inter-American Relations, War Department: Inter-  
18       American Relations, War Department, 1943-1946, \$75,000.

19        Office of the Secretary:

20           Contingent expenses, War Department, 1942-1946,  
21        \$1,200,000.

22           Printing and binding, War Department, 1942-1946,  
23        \$18,000,000.

24                                TRANSFER OF APPROPRIATIONS

25        In addition to the transfers authorized by section 3 of the



1 Military Appropriation Act, 1946, transfers of not to exceed  
2 the amounts hereinafter set forth may be made, with the  
3 approval of the Bureau of the Budget, from the appropriation  
4 "Ordnance Service and Supplies, Army", to the following  
5 appropriations:

6 Army War College, \$23,819;

7 Command and General Staff School, Fort Leavenworth,  
8 Kansas, \$30,189;

9 Quartermaster Service, Army, \$7,881,967;

10 Rock Island Bridge, Rock Island, Illinois, \$5,719;

11 Instruction in armored force activities, \$389,756;

12 Maintenance and Operation, United States Military  
13 Academy, \$1,323,884.

14 *Army of the Philippines, \$200,000,000: Provided,*  
15 *That service in the organized military forces of the Govern-*  
16 *ment of the Commonwealth of the Philippines, while such*  
17 *forces were in the service of the armed forces of the United*  
18 *States pursuant to the military order of the President of*  
19 *the United States dated July 26, 1941, shall not be deemed*  
20 *to be or to have been service in the military or naval forces*  
21 *of the United States or any component thereof for the pur-*  
22 *poses of any law of the United States conferring rights,*  
23 *privileges, or benefits upon any person by reason of the*  
24 *service of such person or the service of any other person*  
25 *in the military or naval forces of the United States or any*

1 *component thereof, except benefits under (1) the National*  
 2 *Service Life Insurance Act of 1940, as amended, under*  
 3 *contracts heretofore entered into, and (2) laws administered*  
 4 *by the Veterans' Administration providing for the pay-*  
 5 *ment of pensions on account of service-connected disability*  
 6 *or death: Provided further, That such pensions shall be paid*  
 7 *at the rate of one Philippine peso for each dollar author-*  
 8 *ized to be paid under the laws providing for such pensions:*  
 9 *Provided further, That any payments heretofore made under*  
 10 *any such law to or with respect to any member of the*  
 11 *military forces of the government of the Commonwealth*  
 12 *of the Philippines who served in the service of the armed*  
 13 *forces of the United States shall not be deemed to be invalid*  
 14 *by reason of the circumstances that his service was not*  
 15 *service in the military or naval forces of the United States*  
 16 *or any component thereof within the meaning of such law.*

#### 17 GENERAL PROVISION

18 Appropriations for the Military Establishment for the  
 19 fiscal year 1946 available for expenses of travel may be  
 20 used under regulations prescribed by the Secretary of War,  
 21 for the payment, in lieu of transportation in kind or move-  
 22 ment at Government expense authorized by law for de-  
 23 pendants, of 4 cents per mile for dependents twelve years  
 24 of age or over and of 2 cents per mile for dependents be-  
 25 tween five and twelve years of age, in advance or other-

1 wise, in accordance with distances established for payment  
 2 and settlement of mileage accounts of officers pursuant to  
 3 the provisions of the Act of June 12, 1906, as amended  
 4 (34 Stat. 246; 10 U. S. C. 870).

5 In all, title II, ~~\$30,903,090,564~~ \$29,752,017,993.

## 6 TITLE III—NAVAL ESTABLISHMENT

### 7 Office of the Secretary:

#### 8 Miscellaneous expenses, Navy:

9 Fiscal year 1944, \$2,323,605.

10 Fiscal year 1945, \$671,805.

11 Fiscal year 1946, ~~\$13,000,000~~ \$10,800,000.

#### 12 Contingent, Navy:

13 Fiscal year 1944, \$74,000.

14 Fiscal year 1945, \$49,000.

15 Fiscal year 1946, \$20,000.

#### 16 Naval emergency fund:

17 Fiscal year 1945, \$25,477.

18 Fiscal year 1946, \$3,000,000.

#### 19 Naval Research Laboratory:

20 Fiscal year 1944, \$5,185.

21 Fiscal year 1945, \$3,002.

22 Fiscal year 1946, \$90,000.

#### 23 Operation and conservation of naval petroleum reserves:

24 Fiscal year 1944, \$6,986.



1           Fiscal year 1945, \$6,353.

2           Fiscal year 1946, \$18,000.

3       Ocean and lake surveys, Navy:

4           Fiscal year 1944, \$6,677.

5           Fiscal year 1945, \$21,298.

6   Bureau of Naval Personnel:

7       Naval War College:

8           Fiscal year 1944, \$4,521.

9           Fiscal year 1945, \$2,886.

10   Naval Training Station, San Diego, California:

11           Fiscal year 1944, \$232,338.

12           Fiscal year 1945, \$327,515.

13   Naval Training Station, Newport, Rhode Island:

14           Fiscal year 1944, \$823.

15           Fiscal year 1945, \$256.

16   Naval Training Station, Great Lakes, Illinois:

17           Fiscal year 1944, \$459,244.

18           Fiscal year 1945, \$29,510.

19           Fiscal year 1946, \$700,000.

20   Naval Training Station, Norfolk, Virginia:

21           Fiscal year 1944, \$4,488.

22           Fiscal year 1945, \$14,879.

23   Naval Training Station, Lake Pend Oreille, Idaho:

24           Fiscal year 1944, \$54,790.

25           Fiscal year 1945, \$604,708.

1 Naval Training Station, Lake Seneca, New York:

2 Fiscal year 1944, \$38,894.

3 Fiscal year 1945, \$3,209.

4 Naval Training Station, Port Deposit, Maryland:

5 Fiscal year 1945, \$2,794.

6 Fiscal year 1946, \$500,000.

7 Fleet Training, Navy:

8 Fiscal year 1944, \$11,108.

9 Fiscal year 1945, \$164,695.

10 Fiscal year 1946, \$78,000.

11 Instruction, Navy:

12 Fiscal year 1944, \$2,151,364.

13 Fiscal year 1945, \$120,000.

14 Fiscal year 1946, ~~\$9,000,000~~ \$6,000,000.

15 Libraries, Navy:

16 Fiscal year 1944, \$145,920.

17 Fiscal year 1945, \$1,693.

18 Fiscal year 1946, \$1,252,935.

19 Welfare and Recreation, Navy:

20 Fiscal year 1944, \$903,681.

21 Fiscal year 1946, \$4,124,000.

22 Naval Reserve Officers' Training Corps:

23 Fiscal year 1944, \$237,300.

24 Fiscal year 1945, \$88,337.

- 1       Miscellaneous expenses, Bureau of Naval Personnel:
- 2           Fiscal year 1944, \$3,009.
- 3           Fiscal year 1945, \$124.
- 4           Fiscal year 1946, \$20,000.
- 5       Naval Reserve:
- 6           Fiscal year 1944, \$54,961,800.
- 7           Fiscal year 1945, \$24,511,154.
- 8           Fiscal year 1946, ~~\$50,000,000~~ \$38,262,000.
- 9       Pay, Naval Academy:
- 10          Fiscal year 1944, \$88,394.
- 11          Fiscal year 1945, \$93,796.
- 12       Maintenance, Naval Academy:
- 13          Fiscal year 1944, \$6,877.
- 14          Fiscal year 1945, \$2,529.
- 15       Naval Home, Philadelphia, Pennsylvania:
- 16          Fiscal year 1944, \$610.
- 17          Fiscal year 1945, \$1,250.
- 18       Naval Prison Farms and Prison Personnel:
- 19          Fiscal year 1944, \$10.
- 20          Fiscal year 1945, \$5,100.
- 21       Bureau of Ships:
- 22          Maintenance, Bureau of Ships:
- 23           Fiscal year 1942, \$43,907,135.
- 24           Fiscal year 1942-43, \$51,956,375.
- 25           Fiscal year 1943, \$64,050,351.



1 Fiscal year 1944, \$52,247,000.

2 Fiscal year 1945, \$118,474,000.

3 Fiscal year 1946, \$1,468,000,000.

4 Defense installations on merchant vessels, Navy, \$13,-  
5 658,123.

6 Bureau of Ordnance:

7 Ordnance and ordnance stores, Navy:

8 Fiscal year 1944, \$551,226,542.

9 Fiscal year 1945, \$1,208,752,767.

10 Fiscal year 1946, ~~\$2,600,000,000~~ \$2,550,451,000.

11 Bureau of Supplies and Accounts:

12 Pay, subsistence, and transportation, Navy, 1944,  
13 ~~\$128,214,285~~ \$69,247,269.

14 Pay and subsistence of naval personnel, 1946,  
15 \$1,317,369,200.

16 Maintenance, Bureau of Supplies and Accounts, 1946,  
17 \$81,314,000.

18 Transportation of things, Navy, 1946, \$140,036,282.

19 Fuel, Navy, 1946, \$100,000,000.

20 Bureau of Medicine and Surgery:

21 Medical Department, Navy:

22 Fiscal year 1944, \$14,017,195.

23 Fiscal year 1945, \$12,238,592.

24 Fiscal year 1946, \$30,000,000.

1 Bureau of Yards and Docks:

2 Maintenance, Bureau of Yards and Docks:

3 Fiscal year 1944, \$2,431,496.

4 Fiscal year 1945, \$3,139,211.

5 Fiscal year 1946, ~~\$15,000,000~~ \$5,000,000.

6 Public Works, Bureau of Yards and Docks, \$400,-  
 7 000,000, and the contract authorization for "Public Works,  
 8 Bureau of Yards and Docks" available in the fiscal year  
 9 1946 is hereby reduced in the sum of ~~\$1,229,880,000~~  
 10 \$1,283,510,540: *Provided, That the rescission of \$400,000,-*  
 11 *000 of the appropriation shall not act to reduce further the*  
 12 *contract authority: Provided further, That of this amount*  
 13 \$946,000,000 shall apply against advance base construction,  
 14 material and equipment.

15 Bureau of Aeronautics:

16 Aviation, Navy:

17 Fiscal year 1943, \$256,482,489.

18 Fiscal year 1943-44, \$193,929,557.

19 Fiscal year 1944, \$811,987,405.

20 Fiscal year 1945, \$1,468,753,102.

21 Fiscal year 1946, ~~\$1,481,300,000~~ \$1,324,691,800,  
 22 and subappropriations under this head are hereby de-  
 23 creased as follows: (1) New construction and procure-  
 24 ment of aircraft and equipment, spare parts, and so forth,  
 25 from "\$799,128,500" to "~~\$135,765,200~~ \$128,116,-

900", (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$168,808,200" to "\$44,934,000", (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$1,431,840,800" to "~~\$758,050,800~~ \$835,050,800", and (4) continuing experiments and developmental work, and so forth, from "~~\$81,272,500~~" to "~~\$61,000,000~~"; the subappropriation "continuing experiments and development work, and so forth," is hereby increased from "\$81,272,500" to "\$148,256,500"; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

### Marine Corps:

#### Pay, Marine Corps:

Fiscal year 1944, ~~\$41,321,480~~ \$40,521,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

#### Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

#### Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.



1 Pay of civil force, Office of Quartermaster General,  
2 Marine Corps:

3 Fiscal year 1944, \$844.

4 Fiscal year 1945, \$1,059.

5 General expenses, Marine Corps:

6 Fiscal year 1944, \$79,787,482.

7 Fiscal year 1945, \$56,737,554.

8 Fiscal year 1946, ~~\$310,000,000~~ \$307,750,000.

9 Increase and replacement of naval vessels:

10 Increase and replacement of naval vessels, con-  
11 struction and machinery, \$732,104,151.

12 Increase and replacement of naval vessels,  
13 armor, armament and ammunition, \$276,876,967.

14 Increase and replacement of naval vessels,  
15 emergency construction, \$38,385,489: *Provided,*  
16 That the balances remaining of appropriations under  
17 "Increase and replacement of naval vessels" shall  
18 not be available for the period of the fiscal year 1946  
19 subsequent to October 16, 1945, for beginning the  
20 construction of any new vessels, *except, not to exceed*  
21 *\$24,100,000 may be available during the fiscal year*  
22 *1946 against the construction of five advanced type*  
23 *combatant vessels and seventeen minor craft.*

24 Repair facilities, Navy:

25 Repair facilities, Navy, \$38,266,050, and the

1 contract authorization for "Repair facilities, Navy",  
2 available in the fiscal year 1946 is hereby reduced  
3 in the sum of \$27,562,131.

4 Coast Guard:

5 Salaries, Office of Commandant, United States Coast  
6 Guard:

7 Fiscal year 1944, \$219.

8 Fiscal year 1945, \$133,293.

9 Pay and allowances, Coast Guard:

10 Fiscal year 1944, \$35,006,326.

11 Fiscal year 1945, \$8,658,922.

12 Fiscal year 1946, \$80,000,000.

13 General expenses, Coast Guard:

14 Fiscal year 1944, \$631,865.

15 Fiscal year 1945, \$1,289,896.

16 Fiscal year 1946, \$20,000,000.

17 Civilian employees, Coast Guard:

18 Fiscal year 1944, \$109,654.

19 Fiscal year 1945, \$200,633.

20 Establishing and improving aids to navigation, Coast  
21 Guard, \$346,000.

22 Acquisition of vessels and shore facilities, Coast Guard,  
23 \$2,741,000.

1 Retired pay, former Lighthouse Service, Coast Guard:

2 Fiscal year 1944, \$73,320.

3 Fiscal year 1945, \$48,109.

4 Salaries, Merchant Marine Inspection, Coast Guard,  
5 1945, \$25,536.

6 Salaries and expenses, Merchant Marine Inspection,  
7 Coast Guard:

8 Fiscal year 1944, \$899,401.

9 Fiscal year 1945, \$373,270.

10 Emergency construction, vessels and shore facilities,  
11 Coast Guard (Navy), \$231,000.

12 Special projects, vessels, Coast Guard (Navy), \$127,-  
13 000.

14 Special projects, aids to navigation, Lighthouse Service,  
15 Coast Guard (Navy), \$28,699.

16 Special projects, aids to navigation, Coast Guard  
17 (Navy), \$556,000.

18 NAVY DEPARTMENT

19 Salaries:

20 Salaries, Office of Secretary of the Navy:

21 Fiscal year 1944, \$78.

22 Fiscal year 1945, \$5,330.

23 Salaries, General Board, Navy Department:

24 Fiscal year 1944, \$3,826.

25 Fiscal year 1945, \$8,775.



Salaries, Naval Examining and Retiring Boards:

Fiscal year 1944, \$1,536.

Fiscal year 1945, \$5,662.

Salaries, Office of Naval Records and Library:

Fiscal year 1944, \$879.

Fiscal year 1945, \$7,035.

Salaries, Office of Judge Advocate General, Navy:

Fiscal year 1944, \$5,312.

Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.

Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Depart-

ment:

Fiscal year 1944, \$3,452.

Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.

Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.

1 Salaries, Naval Observatory ·

2 Fiscal year 1944, \$38.

3 Fiscal year 1945, \$1,117.

4 Salaries, Bureau of Ships:

5 Fiscal year 1944, \$2.

6 Salaries, Bureau of Ordnance:

7 Fiscal year 1944, \$322.

8 Fiscal year 1945, \$151.

9 Salaries, Bureau of Supplies and Accounts:

10 Fiscal year 1944, \$2,992.

11 Fiscal year 1945, \$2,414.

12 Salaries, Bureau of Medicine and Surgery:

13 Fiscal year 1944, \$4,578.

14 Fiscal year 1945, \$2,854.

15 Salaries, Bureau of Yards and Docks:

16 Fiscal year 1944, \$94.

17 Salaries, Bureau of Aeronautics:

18 Fiscal year 1944, \$46.

19 Contingent expenses:

20 Contingent expenses, Navy Department, 1944, \$10,322.

21 Contingent expenses, Navy Department, 1946:

22 The amount which may be transferred to this appro-  
23 priation from other appropriations contained in the Naval  
24 Appropriation Act, 1946, is hereby decreased from "\$5,500.-  
25 000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

Fiscal year 1945, \$94,942.

Fiscal year 1946, \$413,000.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.

Fiscal year 1945, \$40.

#### GENERAL PROVISIONS

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore



1 duty upon the sworn statement of such enlisted man that he  
2 was prevented, by competent naval authority, from taking  
3 such articles of clothing with his person at the time of his  
4 assignment to sea and foreign shore duty: *Provided, That*  
5 the value of such articles of clothing shall be charged to the  
6 clothing and small-stores fund.

7 *Notwithstanding the provisions of section 10 of the Pay*  
8 *Readjustment Act of 1942 (56 Stat. 364), the Secretary*  
9 *of the Navy is authorized and directed to issue in kind*  
10 *one dress blue uniform and overcoat to each enlisted man*  
11 *in the naval service upon his return to the United States*  
12 *from sea and foreign shore duty for separation from the*  
13 *naval service upon the sworn statement of such enlisted*  
14 *man that these articles of clothing are not now in his posses-*  
15 *sion by reason of compliance with orders of higher naval*  
16 *authority or other exigencies of the service beyond his control*  
17 *and that no claim for reimbursement will be filed for the*  
18 *value of such articles so replaced: Provided, That the value*  
19 *of such articles of clothing shall be charged to the clothing*  
20 *and small-stores fund. The authority contained herein shall*  
21 *terminate on September 30, 1946.*

22 *Personnel of the Naval Reserve, not qualified for sea*  
23 *duty, will, upon their application, be placed on inactive*  
24 *duty if surplus to requirements.*

1        *The dependents and household effects of such civilian*  
2 *and naval personnel of the Naval Establishment (without*  
3 *regard to rank or grade) on duty at locations outside the*  
4 *continental limits of the United States, or in Alaska, as may*  
5 *be determined upon by the Secretary of the Navy, may prior*  
6 *or subsequent to the issuance of orders for the relief of such*  
7 *personnel from their stations, or subsequent to the discharge*  
8 *or release of such personnel from active service, be moved*  
9 *(including packing and unpacking of household effects) from*  
10 *such locations outside the continental limits of the United*  
11 *States, or in Alaska, to such locations as may be designated*  
12 *by such personnel, or dependents concerned, by the use of*  
13 *either Government or commercial means of transportation,*  
14 *and later from such locations to the duty station to which*  
15 *such personnel may be ordered, and current appropriations*  
16 *of the Naval Establishment available for travel and trans-*  
17 *portation may be used for this purpose. In lieu of the trans-*  
18 *portation in kind authorized for dependents, the Secretary of*  
19 *the Navy may authorize the payment in money of amounts*  
20 *equal to the commercial transportation costs (including taxes*  
21 *if paid), for the whole or such part of the travel for which*  
22 *transportation in kind is not furnished when such travel shall*  
23 *have been completed.*

24        In all, title III, ~~\$14,604,721,830~~ \$14,309,609,614.

## 1. GENERAL PROVISION

2. The officer and enlisted personnel strengths of the  
3. Army, Navy, Marine Corps, and Coast Guard shall be  
4. demobilized at a rate not less than would be necessary to  
5. keep within the amounts available for their pay in conse-  
6. quence of the provisions of this Act, unless the President  
7. otherwise shall direct.

8. SEC. 301. This Act may be cited as the "First Supple-  
9. mental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives October 19, 1945.

Attest:

SOUTH TRIMBLE,

*Clerk.*





[SUBCOMMITTEE PRINT]

Calendar No.

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 4407**

[Report No.     ]

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## **AN ACT**

Reducing certain appropriations and contract  
authorizations available for the fiscal year  
1946, and for other purposes.

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OCTOBER 22, 1945

Read twice and referred to the Committee on  
Appropriations

NOVEMBER     , 1945

Reported with amendments

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION ACT, 1946

NOVEMBER 14 (legislative day, OCTOBER 29), 1945.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted  
the following

## REPORT

[To accompany H. R. 4407]

The Committee on Appropriations to whom was referred the bill (H. R. 4407) entitled "An act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes," report the same to the Senate with various amendments and submit herewith information relative to the changes made.

Agency	Amount of rescissions recommended by House	Amount of rescissions recommended by Senate	Difference
Executive departments and various independent agencies:			
Cash.....	\$2,956,807,646	\$2,940,828,227	—\$15,979,419
Contract authorization.....	930,461,208	929,961,208	—500,000
Military Establishment, cash.....	30,903,090,564	29,752,017,993	—1,151,072,571
Naval Establishment:			
Cash.....	14,604,721,830	14,309,609,614	—295,112,216
Contract authorization.....	3,257,442,131	3,311,072,671	+53,630,540
Corporate funds.....	1,190,500	1,190,500	-----
Total.....	52,653,713,879	51,244,680,213	—1,409,033,666

## UNITED STATES EMPLOYMENT SERVICE

The committee recommend that the following provision be stricken from the bill:

## SOCIAL SECURITY BOARD

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith, as authorized in title III of the Social Security Act, approved August 14, 1935, as amended, \$30,000,000, which shall be in addition to the amounts appropriated for such purposes in title II of the Labor-Federal Security Appropriation Act, 1946.



The committee also recommend that the following provision be stricken from the bill:

Employment office facilities and services: The unexpended and unobligated balances, on the thirtieth day after the date of the enactment of this Act, of appropriations, excluding the appropriation of \$7,791,134 to carry into effect the provisions of section 602 of title IV of the Servicemen's Readjustment Act of 1944, Public Law 346, Seventy-eighth Congress, made in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall, on such thirtieth day, be carried to the surplus fund and covered into the Treasury.

and that the following be inserted in lieu thereof under the Department of Labor.

*Employment Office Facilities and Services: The appropriations made in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall be available, in addition to the objects which are specified in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, for grants to States to finance the total costs of administration of State-wide systems of public employment offices, in accordance with standards and regulations prescribed by the Secretary of Labor as necessary to carry out the purposes of the Act of Congress approved June 6, 1933, as amended (excluding section 5 thereof): Provided, That the Secretary of Labor shall make such grants through the Social Security Board and in accordance with the procedures applicable to grants under title III of the Social Security Act, as amended, and shall, in connection therewith, certify to the Social Security Board the amounts of such grants for each State; and upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriations herein made available for such grants: Provided, That such portion of such appropriations as may be necessary shall be available to the United States Employment Service for all necessary expenses, including personal services, incurred in connection with the operation of employment office facilities and services in the District of Columbia: Provided further, That no portion of such appropriations shall be made available to a State unless the State (1) has made provision for the transfer to and retention in the State-wide system of public employment offices of employees of the Federal Government who had been employed in State and local employment service functions in such State, in the positions occupied by them under the Federal service or in reasonably comparable positions except that individuals so transferred may be separated or terminated for good cause, as determined in individual cases under the applicable State merit system, or separated or terminated by reason of reductions in force found necessary in the interests of efficient operations, and may be separated after they have been given a reasonable opportunity to acquire eligibility for continued employment in the State-wide system of public employment offices under the State merit system in the positions occupied by them under the Federal service or in reasonably comparable positions or (2) has requested the detail of such employees to the State agency under the following proviso: Provided further, That so much of such appropriations as may be necessary shall be available, in lieu of any portion of the grant to the State, for the payment of compensation (under the salary scales applicable to such employees prior to the enactment of this Act) to employees of the United States Employment Service in the Department of Labor, who, upon the request of the State, and for the purpose of permitting continuity in their employment pending an opportunity to qualify for State employment in accordance with this paragraph, may be detailed by the Secretary of Labor to the State agency for service in the State-wide system of public employment offices: Provided further, That if, after reasonable notice and opportunity for hearing (which may be a joint hearing with the Social Security Board under title III of the Social Security Act, as amended) to the State agency, the Secretary of Labor or his representative determines, and so certifies to the Social Security Board, that the State has failed substantially to comply with the provisions required by this paragraph or with standards and regulations prescribed to carry out*

*the purposes of the Act of Congress approved June 6, 1933, as amended, the Secretary of Labor, in lieu of making the grant to the State for such purpose, may maintain in such State a State-wide system of public employment offices until the Secretary is satisfied that there will no longer be any such failure to comply.*

*On the earliest practicable date in the case of each State, but in no case later than the one hundred and twentieth day after the date of enactment of this Act, the Secretary of Labor shall transfer to the State agency in each State designated under section 4 of the Act of Congress approved June 6, 1933, as amended, as the agency to cooperate with the United States Employment Service under said Act, the operation of State and local public employment office facilities in such State, and in connection therewith the Secretary of Labor shall provide for the return to such State of the employment office facilities and properties transferred by such State to the Federal Government in 1942 to promote the national war effort and may also provide for the transfer and assignment to such State, without reimbursement therefor, of all other public employment office facilities and properties including records, files, and office equipment which are located in such State: Provided, That as a condition to such transfer and assignment of Federal properties the Secretary may require the recipient State to waive any claim which may then exist or thereafter arise out of the use made by the Federal Government of, or for the loss of or damage to, property and facilities transferred by the State to the Federal Government in 1942.*

This amendment provides for returning to the States the employment services which were loaned to the Federal Government at the beginning of 1942 pursuant to the request of the President. The amendment provides that the existing appropriation for employment office facilities and services in the Labor-Federal Security Appropriation Act, 1946, shall also be available for grants to the States to finance the cost of operating State-wide systems of public employment offices, in accordance with standards and regulations prescribed by the Secretary of Labor as necessary to carry out the purposes of the act of June 6, 1933 (the Wagner-Peyser Act), except that no matching of funds by the States will be required. The grants to the States are to be made by the Secretary of Labor through the Social Security Board and in accordance with procedures applicable to grants made to the States for the administration of their unemployment compensation laws under title III of the Social Security Act. This means that the State agency which administers the unemployment compensation law and operates the employment offices will be able to submit a single budget for the operation of both services, will get its funds for both services in a single grant, and will be able to account for the expenditure of such funds by keeping one set of books. At the same time, it affords the Federal agencies charged with the responsibility for the program an opportunity to make sure that the funds made available by Congress for the operation of employment offices will be devoted to that purpose.

The amendment makes provision for transferring to the States personnel employed by the Federal Government in the operation of the employment offices, and their retention by the States until such personnel has a reasonable opportunity to qualify for positions in the employment service under the State merit system; and, to take care of possible cases in which the States might not be able to take over such personnel, the amendment provides for their retention as employees of the Federal Government to be loaned to the States upon their request. The amendment also provides that if the Secretary of Labor, after notice and opportunity for hearing, finds that the State has failed substantially to comply with his standards and regulations relating to the operation of the employment services, the Secretary may operate



the employment offices in such State until he is satisfied that there will no longer be any such failure to comply.

The provisions described above are designed to make possible an orderly return of the employment services to the States and to assure their efficient operation after such return. The date on which it will be practicable to return the services will probably vary in the case of different States. The amendment provides that the services shall be returned upon the earliest practicable date in the case of each State, and in no case later than 120 days after the enactment of the act.

## WAR AND NAVY DEPARTMENTS

### PAYMENT OF FLIGHT PAY

The committee recommend that the following paragraph be added to the bill as a general provision:

*Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial flights in order to continue his fitness for his primary technical skill: Provided further, That in addition, on or before January 1 annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the six-month period preceding the date of the report: Provided further, That the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942 as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.*

## RETRACTIONS OF RESCISSIONS

### Title I—Executive Office of the President, Independent Offices, and Executive Departments

Foreign Economic Administration----- \$1,789,419

The functions of the Foreign Economic Administration were transferred to the Departments of State, Agriculture, and Commerce by Executive order. In order to carry on the functions so transferred it is estimated that a minimum of \$7,244,735 will be required for the remaining 8 months of the fiscal year.

The rescission proposed by the House of \$5,226,461 would have left a total of \$11,523,539 available to this agency for the entire fiscal year. As of Oct. 31, 1945, obligations amounted to \$6,068,223, leaving a balance available for the remaining 8 months of the fiscal year of \$5,455,316. As recommended by the committee, the rescission would amount to \$3,437,042, which is the amount submitted in H. Doc. No. 280. Deducting this amount from the appropriation of \$16,750,000 made to the Foreign Economic Administration would leave a total of \$13,312,958 available. From this amount must be deducted \$6,068,223, which is the amount of the obligations through October, leaving available for obligations during the remaining 8 months of the fiscal year the sum of \$7,244,735.

Considerable work still remains to be done in connection with lend-lease, UNRRA, control of exports, foreign procurement of raw materials, the Technical Industrial



## Foreign Economic Administration—Continued

Intelligence Committee, and the clearing office for foreign transactions and reports, and the lack of sufficient funds being available would result in many important economic studies, records, accounts, and skills gathered at considerable cost to the Government being incomplete. Much of the information and special techniques pertaining to foreign activities and economics will be very useful both to the Government, private trade, and industry.

## Office of War Information-----

\$5, 000, 000

The appropriation for this agency for the fiscal year 1946, amounted to \$35,000,000. Of this amount, the House proposed a rescission of \$10,662,558, leaving a balance for the whole fiscal year of \$24,337,442. Of that amount, there is available to the State Department \$23,959,149. Deducting \$13,696,113, the amount of obligations through October 31, 1945, would leave available for obligation during the remaining 8 months of the fiscal year the sum of \$10,263,036. The retraction of \$5,000,000 recommended by the committee would make available to the Department \$15,263,036 for the remaining 8 months. The estimated obligations for November and December amount to \$4,585,000, leaving for the 6 months beginning Jan. 1, 1946, the sum of \$10,678,036. This sum would be available for the maintenance of a reduced international short-wave program, to meet commitments to military authorities for information-control work in occupied areas, continuation of information programs in the rest of the world outside Latin America, servicing foreign posts with news, films, motion pictures, publications, and other informational material, and for liquidation costs.

## Office of Strategic Services-----

2, 000, 000

The functions of this Office were transferred by Executive order to the State and War Departments. The original appropriation for 1946 was \$20,000,000. Of this amount, the House proposed a rescission of \$11,500,000, leaving a balance available for the whole fiscal year of \$8,500,000. Of this amount \$6,000,000 represents obligations through Sept. 30, 1945, leaving \$2,500,000 for the period Oct. 1, 1945, to June 30, 1946. The committee recommends a retraction in the rescission of \$2,000,000, making available for intelligence work \$4,500,000 for the period Oct. 1, to June 30, 1946.

## Federal Communications Commission-----

930, 000

The appropriation for 1946 was \$2,430,000. The House recommended a rescission of \$930,000, leaving available for the whole fiscal year period the sum of \$1,500,000. The obligations through Sept. 30, 1945, amounted to \$765,736, leaving available for the period Oct. 1, 1945 to June 30, 1946, the sum of \$734,264. The committee recommends a retraction of the entire rescission of \$930,000. The funds available to the Commission would then be \$1,664,264. These funds will be used to continue the Foreign Broadcast Intelligence Service, the importance of which to the State Department was testified to by the officials of the State Department and the Radio Intelligence Division. The Foreign Broadcast Intelligence Service is responsible for the monitoring (recording, translating, and reporting) of foreign broadcasts and the Radio Intelligence Division for the policing of the radio spectrum to insure against unlicensed operation and to prevent interference with authorized radio communications.

## Department of Agriculture:

### Emergency rubber project:

It is recommended by the committee that the following paragraph be stricken from the bill:

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

and the following inserted in lieu thereof:

*Emergency rubber project, \$1,649,790, and the balance remaining shall be used under the direction of the Secretary of Agriculture to liquidate such project in an orderly manner immediately on the passage of this Act, including selling the two mills as individual units and disposal of each lease by sale or by contractual arrangement; and for field and laboratory research on the various phases of guayule and retaining all needed property and equipment to carry out this purpose.*

The House language provides for the elimination of the remaining guayule plantations and the rehabilitation and return of the leased lands to the owners and also for the continuation of research work until June 30, 1946. The Senate language provides for the orderly liquidation of the project including the sale of the mills and the disposal of leases by sale or by contract arrangement, and for the continuation of research but does not place any time limit on liquidation of the project.

## Interior Department:

Division of Geography-----  
War Relocation Authority-----

\$20, 000  
5, 000, 000

The appropriation for 1946 was \$25,000,000. The House proposes a rescission of \$5,000,000. The committee recommends the retraction of the entire rescission. Testimony before the committee was to the effect that all of the centers will be closed by January except Tule Lake. The closing of Tule Lake is dependent upon the ability of the Department of Justice to take over on the first of the year all of the people at Tule Lake for whom they will be responsible. However, even with the closing of the centers considerable work will be necessary in connection with the disposal of the movable equipment, amounting to some \$20,000,000, and also all of the fixed assets which have to be processed and turned over to surplus.

## Justice Department:

### Federal Bureau of Investigation:

Salaries and expenses, detection and prosecution of crimes (emergency)-----

1, 240, 000

In H. Doc. No. 280, it was recommended that \$2,480,000 of funds available to the Federal Bureau of Investigation under this appropriation be rescinded. This recommendation was approved by the House. It was represented to the committee, however, that a rescission of \$2,480,000 would necessitate a too rapid reduction during the remainder of the current fiscal year in the personnel and activities of the FBI. The committee, therefore, recommends that \$1,240,000 of the amount for rescission proposed in the bill as passed by the House be retracted.

**Federal Works Agency:**

Public Roads Administration: Access roads (contract authorization)-----

\$500, 000

The bill as passed by the House provided for a rescission of \$3,076,845. Since the passage of the bill applications have been made by mine operators for maintenance of a number of access roads built to sources of raw materials. In order to provide for the continued maintenance of these access roads the committee recommends a retraction in the rescission of \$500,000.

**Alien Property Custodian:**

The bill as it passed the House proposed a rescission of \$500,000 in the amount available to the Alien Property Custodian for administrative expenses. The committee recommends the retraction of the entire rescission. The Alien Property Custodian testified to the effect that if the Alien Property Custodian's Office is required to absorb a cut of \$500,000 in its administrative expenses it will be impossible to perform the duties imposed by law.

Total amount of retractions in rescissions under title I:

Cash-----

15, 979, 419

Contract authorizations-----

500, 000

**Title II—Military Establishment****Office of Secretary of War:**

Contingencies of the Army-----

\$2, 000, 000

The bill as passed the House proposed a rescission of \$12,829,151. The committee recommends a retraction in that rescission of \$2,000,000. Representations were made to the committee that the \$2,000,000 would be necessary to finance certain special activities during the last half of the fiscal year.

**Quartermaster Corps:**

Quartermaster service, Army-----

45, 312, 000

The bill as it passed the House proposed a rescission of \$3,944,994,479. The committee was informed that the Department had received mules valued at \$312,000 and supplies valued at \$40,000,000 but no funds were available to make payment therefor because of the rescission. The committee recommends a retraction in the rescission of \$40,312,000 to cover these two items. The committee also recommends a further retraction of \$5,000,000 in the rescission applicable to "Welfare of enlisted men."

**Signal Corps:**

Signal Service of the Army-----

7, 500, 000

The rescission proposed by the House amounted to \$1,679,434,000. The committee recommends a retraction in the rescission of \$7,500,000. This amount will be used to augment the funds available for research and development.



## Air Corps:

Air Corps, Army----- \$853, 000, 000

The bill as passed the House proposed a rescission of \$12,166,313,000. The committee recommends a retraction in the rescission of \$853,000,000 as follows:

For transfer to "Pay of the Army"----- \$204, 000, 000

For operating expenses----- 564, 000, 000

For research and development--- 85, 000, 000

There was an unobligated balance on July 31 of \$7,623,638,241. Recoveries through reimbursements and cancellations will raise such amount to \$16,860,092,718. As recommended by the committee, of this sum, \$3,740,497,999, will be used to supplement the Army's pay appropriation, and \$11,313,313,000 is proposed for rescission. That would leave \$1,806,281,719 for obligation over the period Aug. 1, 1945, to June 30, 1946.

It is also recommended by the committee that the following proviso be added to the bill:

*: Provided, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor*

## Medical Department:

Medical and Hospital Department, Army----- 500, 000

The bill as passed by the House proposes a rescission of \$268,039,000. The committee recommends a retraction in the rescission of \$500,000. This amount will be used to augment the funds available to the Medical Department for research and development.

## Corps of Engineers:

Engineer Service, Army----- 42, 760, 571

The bill as passed by the House proposes a rescission of \$2,349,523,571. The committee recommends a retraction in the rescission of \$42,760,571. This amount was actually recommended for rescission under the subappropriation "Barraeks and quarters" but was inadvertently applied to "Engineer service." Inasmuch as a subsequent rescission recommendation of \$76,000,000 was applied to "Barraeks and quarters," which included the \$42,460,571 referred to above, the committee recommends that the duplicate amount be retracted from the total amount of rescission and the subappropriation "Engineer service" rescission be reduced accordingly.

## Ordnance Department:

Ordnance Service and Supplies, Army----- 200, 000, 000

It is recommended by the committee that \$200,000,000 of the rescission proposed by the House of \$8,300,000,000 be retracted and that that sum be transferred to the appropriation "Army of the Philippines." The committee has also added the following language to the bill to govern the expenditure of the appropriation "Army of the Philippines":

*Army of the Philippines, \$200,000,000: Provided, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not*

Ordinance Department—Continued

Ordinance Service and Supplies, Army—Continued

*be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: Provided further, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: Provided further, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.*

Total amount of retractions in rescissions under title II; cash-----

\$1, 151, 072, 571

Title III—Naval Establishment

Office of the Secretary:

Miscellaneous expenses-----

\$2, 200, 000

The committee recommends that the amount of rescission proposed by the House be reduced from \$13,000,000 to \$10,800,000, which is the amount of rescission submitted in H. Doc. No. 286. It was represented to the committee that to absorb the additional cut of \$2,200,000 it would be necessary to apply a considerable part to communications, the major subhead under this appropriation. It was also testified to that certain things in connection with demobilization have increased the expenses; such as termination of contracts, and personnel separation, where, in order to get officers and men out, there is telephoning between the Navy Department and separation centers and as to contract termination between the inspectors in the plants and the departments. Demobilization of ships itself causes a great deal of correspondence and wiring.

Bureau of Naval Personnel:

Instructions, Navy-----

3, 000, 000

It is recommended by the committee that the amount of rescission proposed by the House be reduced from \$9,000,000 to \$6,000,000 the amount submitted in H. Doc. No. 286. To absorb the additional cut of \$3,000,000 proposed by the House would require serious curtailment in the training

**Bureau of Naval Personnel—Continued****Instructions, Navy—Continued**

program, and result in discontinuing part of the radio technician program, inclosing one and possibly both fleet service schools, one of the oriental language schools, and most of the fire fighters' schools. The committee feels that the reduction in training programs is too drastic and recommends a retraction in the rescission of \$3,000,000.

**Naval Reserve-----****\$11, 738, 000**

The committee recommends a reduction in the rescission proposed by the House from \$50,000,000 to \$38,262,000. The \$11,738,000 recommended by the committee to be restored will enable the Department to carry the V-12 students being prepared for V-5 entry until June 30, 1946, at an estimated cost of \$3,500,000. The rest of the V-12 program is to be carried on until Mar. 31, 1946, at which time it is to terminate. Under the committee's recommendation, \$5,100,000 is for use under the aviation component for Naval Aviation Reserve pilots' refresher training.

**Bureau of Ordnance:****Ordnance and ordnance stores, Navy-----****49, 549, 000**

The committee recommends a reduction in the rescission proposed by the House from \$2,600,000,000 to \$2,550,451,000, the amount submitted in House Document No. 286. The original rescission of \$2,550,451,000 represents approximately 85 percent of their total appropriation for 1946. If the additional rescission of \$49,549,000 should stand, the Ordnance Department would suffer a cut of approximately 87 percent. The committee feels that such a cut is too drastic and recommends that \$49,549,000 be retracted.

**Bureau of Supplies and Accounts:****Pay, subsistence, and transportation, 1944-----****58, 967, 016**

The committee recommends that the amount of the rescission proposed by the House be reduced from \$128,214,285 to \$69,247,269. Since the submission of an indicated saving of \$128,214,285, expenditure reports have been received by the Department showing an unexpended balance of \$121,387,347. In addition, outstanding obligations are such that it will be necessary in all to retract \$58,967,016 of the proposed rescission.

**Bureau of Yards and Docks:****Maintenance, yards and docks-----****10, 000, 000**

It is recommended by the committee that the amount of the rescission proposed by the House be reduced from \$15,000,000 to \$5,000,000.

With the exception of the pay of civilian clerical personnel actually employed in the separation offices, this appropriation is charged with the maintenance and operation of all shore activities being used, the pay of all administrative, laborers, and artisan employees, fire protection, the furnishing of utilities, including electricity and water, the cost of fuel and operation of power and heating plants, the repair operation of all motor transportation facilities, laundering and costs of all consumable supplies, fuel for heating plants and galleys, cleaning and garbage collections, guard services, etc.



**Bureau of Yards and Docks—Continued****Maintenance, yards and docks—Continued**

It was pointed out to the committee that additional added purposes not previously budgeted have materialized, including furnishing mattresses, blankets, pillows, sheets, etc., for 20 separation centers, equipping additional centers, maintenance and operation of intake centers, maintenance responsibility of submarine base, New London, caused by transfer of Navy-owned victory yard of Electric Boat Co. as part of this activity, and added responsibility caused by use of Camp Peary at Williamsburg for boot training of 26,000 recruits. It was also pointed out that in addition to the foregoing, added expenditures have accrued because of necessity for increases in civilian personnel complements to replace enlisted personnel that have been utilized for maintenance purposes at many shore activities and as fire-fighting personnel, guards, chauffeurs, etc.; replacement of volunteer Red Cross chauffeurs at district headquarters with civilian; anticipated increase in labor force at operational activities caused by replacement of prisoners of war; as well as contingent expenditures not budgeted for such purposes of storm damage, fire damage, collision, and explosion.

The amount of saving which the Department recommended and which was submitted in House Document No. 286 was \$1,000,000. The House raised that amount to \$15,000,000.

The Department stated that it felt that it would be unable to absorb the additional cut made by the House and that added purposes of expenditure as indicated above would make it doubly difficult to meet the demands upon this appropriation. The committee, therefore, recommends that \$10,000,000 of the additional rescission proposed by the House be restored to the appropriation.

**Bureau of Aeronautics:**

Aviation, Navy-----	\$156, 608, 200
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The rescission proposed by the House was \$1,481,300,000, which is \$69,351,700 more than the saving recommended by the Department. The committee recommends the retraction of \$69,351,700, and also a further retraction of \$87,256,500, which latter amount shall be available for research and development work.

**Marine Corps:**

Pay, Marine Corps, 1944-----	800, 000
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Since the submission of the indicated saving of \$41,321,480, claims for pay and allowances against this appropriation have been approved by the Comptroller General, and other such claims are still coming in and are in the process of being approved, which will reduce the indicated saving by \$800,000. It is, therefore, recommended that the rescission in this appropriation be changed from "\$41,321,480" to "\$40,521,480."

General Supplies-----	2, 250, 000
-----------------------	-------------

The committee recommends that the amount of rescission proposed by the House of \$310,000,000 be reduced to \$307,750,000, or a retraction in the rescission of \$2,250,000.

Public Law 190, approved October 6, 1945, provides for a furlough-travel allowance of 5 cents per mile to men reenlisting for the distance between their

## Marine Corps—Continued

### General Supplies—Continued

homes and the place at which they are stationed, and for the distance between their homes and the place at which they are ordered to report for duty at the end of furlough or leave. It is estimated that the enactment of this law will require an additional \$2,250,000 in the subhead "Transportation of troops—Recruiting" of the appropriation "General expenses, Marine Corps." This charge against the appropriation "General expenses" was not contemplated at the time the saving in this appropriation was submitted to Congress. Therefore, it is necessary to retract \$2,250,000 of the proposed rescission in order to provide necessary funds to carry out Public Law 190.

### Increase and replacement of naval vessels:

The committee recommends that the proviso relative to the beginning of construction on any new vessel be amended to read as follows:

*: Provided, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of five advanced type combatant vessels and seventeen minor craft*

The testimony before the committee was to the effect that the Department was desirous of proceeding with certain experimental motor torpedo boats and experimental amphibious tractors in order to gain or retain the experience of those engineers that worked on these types of craft during the war period, who otherwise will disappear. The committee was also advised of the need for shallow-draft mine sweepers for use in the Yangtze River. The Department also indicated that it was important that five advanced type combatant vessels be constructed.

Total amount of retractions in rescissions  
under title III: Cash-----

\$295, 112, 216

### ADDITIONAL RESCISSIONS

#### Bureau of Yards and Docks:

Public works, Navy-----

53, 630, 540

The committee recommends a further rescission of \$53,630,540 to be applied to new construction in continental United States. It is the feeling of the committee that no new permanent construction of hospitals should be undertaken at this time and that the program for berthing facilities should be greatly curtailed. Attention is called to the provision in the current appropriation Act relative to the type of construction to be undertaken, which reads as follows:"

"No part of the appropriations or contract authorization in this Act under the Navy Department shall be used for a permanent type of construction at any shore establishment of any character acquired subsequent to the calendar year 1938, unless such establishment shall be

## Bureau of Yards and Docks—Continued

## Public works, Navy—Continued

designated by the Secretary as a permanent establishment, and, in that event, a permanent type of construction shall be used only to meet such permanent requirements as the Secretary may approve: *Provided*, That nothing herein shall prevent construction of a type sufficiently substantial for the use intended nor apply to construction projects now under contract or in progress: *Provided further*, That no part of such appropriations or contract authorization may be used for the construction of quarters, including heating and plumbing apparatus, wiring and fixtures, for greater amounts per unit than follow: \* \* \*

The committee also has added the following proviso which is proposed in order that the rescission of \$400,000,000 cash shall not act to further reduce the contract authority:

*: Provided, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority.*

Total additional rescissions under  
Title III contract authorization . . .

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\$53, 630, 540

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## General provisions, Navy:

Issuance of clothing to certain enlisted personnel of the Navy:

The committee recommend that the following paragraph be stricken from the bill:

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.

and that the following be inserted in lieu thereof:

*Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: Provided, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.*



## General provisions, Navy—Continued

## Issuance of clothing to certain enlisted personnel of the Navy—Continued

Thousands of men are being returned to the United States from all corners of the globe. It was pointed out to the committee that a small percentage of the men, but numbering in the thousands, being returned are dressed only in khaki and some only in dungarees, and that for one reason or another they do not have a blue uniform or overcoat with them. These items are essential for their protection against the rapidly approaching winter weather.

The reasons for the absence of the blue uniforms and overcoats were given as follows: The kind of duty these men have been performing precluded the wearing of such articles of clothing, and furthermore, the temperatures of the climates in which they operated were for the most part tropical. In some cases the Navy commanders directed the enlisted men to leave their uniforms in the States; in other cases their uniform has been deteriorated, destroyed, or lost due to mildew and mold; in other cases the men have been separated from their baggage due to types of transportation employed and there are many other cases where losses have occurred through no fault of the men.

The Department stated that in all fairness it could not ask these enlisted men who are about to become civilians to spend \$33 for a uniform which they will wear only a few days, but that notwithstanding this, they must be properly clothed to stand the rigor of winter weather and to present a proper appearance upon their return home.

For the reasons stated, the Navy feels the responsibility for making articles of clothing available from stocks on hand, and points out that unless this is done, these stocks will become surplus and be disposed of ultimately with an appreciable inventory loss.

The amendment as recommended by the committee vests in the Secretary of the Navy authority to issue, without charge, 1 hat, 1 dress blue jumper, 1 pair of blue trousers, and 1 overcoat, or such of these items as may be necessary, to every enlisted man not having these articles in his possession immediately prior to discharge.

## Certain personnel of the Naval Reserve:

The committee recommend that the following provision be added to the bill:

*Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.*

There are a number of officers in the Naval Reserve who are specialists of various kinds, and who are in the naval shore plant, and, consequently, do not have enough points for release, particularly if they are not married and if they are younger men. There were some 33,000 of these officers in the Navy, of which approximately 23,000 were in the continental United States. They are not qualified for sea duty, and, therefore, cannot be used to relieve high-point men being discharged from the fleet. Some of them are in the so-called limited-service class.

General provisions, Navy—Continued

Certain personnel of the Naval Reserve—Continued

There has been a policy in the War Department recently, which is also being followed in the Coast Guard, whereby if an officer is surplus—that is, he has no job, he is discharged without regard to the point system. Under the amendment proposed by the committee, personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty provided such personnel is surplus to requirements.

Transportation of dependents and household effects:

The committee recommend that the following provision be added to the bill:

*The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Naval Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.*

Foreign-born wives of servicemen, married overseas, mainly Australian and English, are being returned in some cases to this country in indigent circumstances. The purpose of the amendment proposed by the committee, which was requested by the Navy Department, is to grant authority to the Department to provide travel for these wives of servicemen from point of arrival in the United States to their new homes. Similar authority was granted in the War Department Appropriation Act, 1946.

Total amount of retractions in rescissions:

Cash:

Title I.....	\$15, 979, 419
Title II.....	1, 151, 072, 571
Title III.....	295, 112, 216

Total, cash, title I, II, and III..... 1, 462, 164, 206

Contract authorizations: Title I..... 500, 000

Total amount of retractions in rescissions:

Titles I, II, and III..... 1, 462, 664, 206

Total additional rescission:

Contract authorization: Title III----- \$53, 630, 540

Total cash rescission proposed by House: Titles I, II, and III----- 48, 464, 620, 040

Total cash retractions in rescissions recommended by committee: Titles I, II, and III----- 1, 462, 164, 200

Total cash rescissions recommended by committee: Titles I, II, and III----- 47, 002, 455, 834

Total contract authority rescission proposed by House----- 4, 187, 903, 339

Additional rescission in contract authority recommended by committee (net)----- 53, 130, 540

Total contract authority rescission recommended by committee----- 4, 241, 033, 879

Recovery of corporate funds proposed in bill to extent of----- 1, 190, 500

The bill, therefore, as reported to the Senate, proposes—

(1) To rescind cash appropriations in the amount of----- 47, 002, 455, 834

(2) To rescind contract authority in the amount of----- 4, 241, 033, 879

(3) To recover corporate funds to the extent of----- 1, 190, 500

Grand total of rescissions recommended in bill as reported to Senate----- 51, 244, 680, 213

○



Calendar No. 735

79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4407

[Report No. 719]

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IN THE SENATE OF THE UNITED STATES

OCTOBER 22, 1945

Read twice and referred to the Committee on Appropriations

NOVEMBER 14 (legislative day, OCTOBER 29), 1945

Reported by Mr. McKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the appropriations and contractual authorizations of the
- 4 departments and agencies available in the fiscal year 1946,
- 5 and prior year unreverted appropriations, are hereby reduced
- 6 in the sums hereinafter set forth, such sums to be carried to
- 7 the surplus fund and covered into the Treasury immediately
- 8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
 2 DENT, INDEPENDENT OFFICES, AND EXECU-  
 3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, ~~\$5,226,461~~ \$3,437,042, and  
 8 limitations under this head are hereby decreased as fol-  
 9 lows: (1) Travel within continental United States from  
 10 “\$234,000” to “~~\$150,000~~ \$190,000”, (2) reimburse-  
 11 ment to employees for emergency or extraordinary ex-  
 12 penses from “\$75,000” to “~~\$40,000~~ \$50,000”, and (3)  
 13 expenses of a confidential character from “\$1,200,000”  
 14 to “~~\$25,000~~ \$100,000”.

15 Penalty mail costs, \$12,440.

16 National War Labor Board:

17 Salaries and expenses, \$1,566,500.

18 Office of Defense Transportation:

19 Salaries and expenses, \$3,075,000, and limitations  
 20 under this head are hereby decreased as follows: (1)  
 21 Traveling expenses from “\$452,500” to “\$150,000”,  
 22 (2) printing and binding from “\$47,500” to “\$14,000”  
 23 (of which the amount available outside continental  
 24 United States is decreased from “\$1,800” to “\$500”).

and (3) penalty mail costs from “\$118,900” to “\$53,000”.

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from “\$2,250” to “\$1,500”, (2) traveling expenses from “\$4,500” to “\$4,000”, and (3) printing and binding from “\$2,000” to “\$1,600”.

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, ~~\$10,662,558~~ \$5,662,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from “\$45,800” to “~~\$25,000~~ \$30,000”, (2) travel within continental United States from “\$267,500” to “~~\$230,000~~ \$240,000”, (3) printing and binding within continental United States from “\$1,000,000” to “~~\$550,000~~ \$600,000”, and (4) to meet emergencies of a confidential character from \$250,000” to “~~\$40,000~~ \$50,000”.



1 War Manpower Commission:

2 General administration, \$71,194.

3 Apprentice training service (national defense),  
4 \$131,500, and the balance to remain available until  
5 December 31, 1945.

6 Training Within Industry Service (national de-  
7 fense), \$125,000, and the balance to remain available  
8 until December 31, 1945.

9 Migration of workers, \$479,000.

10 War Production Board:

11 Salaries and expenses, \$10,000,000, and limitations  
12 under this head are hereby decreased as follows: (1)  
13 travel expenses from "\$1,944,000" to "\$954,000",  
14 (2) penalty mail costs from "\$210,000" to  
15 "\$105,000", (3) printing and binding from "\$648,-  
16 000" to "\$346,000", and (4) salary of the head of the  
17 agency from "\$15,000" to "\$12,000", except that so  
18 long as the position is held by the present incumbent  
19 the salary shall remain at \$15,000.

20 War Shipping Administration:

21 Revolving fund, \$195,452,000.

22 Maritime training fund, \$25,000,000.

23 Marine and war risk insurance fund, revolving fund,  
24 \$91,000,000.

25 Office of Censorship: Salaries and expenses, \$8,200,000.

Office of Price Administration:

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000".

Office of Strategic Services:

Salaries and expenses, ~~\$11,500,000~~ \$9,500,000, and limitations under this head are hereby decreased as follows: (1) expenditures without regard to provisions of law and regulations from "\$10,500,000" to "~~\$2,000,000~~ \$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "~~\$1,750,000~~ \$2,750,000".

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

In all, Office for Emergency Management, ~~\$447,886,225~~ \$439,096,806,

1 EMERGENCY FUNDS APPROPRIATED TO THE  
2 PRESIDENT

Emergency fund for the President, national defense,  
\$45,000,000.

5      Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts,  
and materials, \$57,990,000.

8 (2) Aircraft and aeronautical material, \$85,705,000.

9           (3) Tanks, armored cars, automobiles, trucks, and other  
10 automotive vehicles, spare parts, and accessories, \$24,-  
11 461,000.

12           (4) Vessels, ships, boats, and other watercraft, \$76,-  
13 080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expendi-



1 ture, as and when necessary, for the postwar price support  
2 of agriculture.

3 (7b) For testing, inspecting, proving, repairing, out-  
4 fitting, reconditioning, or otherwise placing in good work-  
5 ing order any defense articles for the government of any  
6 country whose defense the President deems vital to the  
7 defense of the United States, \$73,266,000.

8 (7d) For necessary services and expenses for carrying  
9 out the purposes of such Act not specified or included in  
10 the foregoing, \$43,943,000.

11 In all, emergency funds appropriated to the President,  
12 \$1,784,561,000.

### 13 INDEPENDENT OFFICES

14 Civil Service Commission: Salaries and expenses, Civil  
15 Service Commission (national defense), \$2,032,000.

16 Employees' Compensation Commission: Employees'  
17 compensation fund, \$1,761,644.

18 ~~Federal Communications Commission: Salaries and ex-~~  
19 ~~penses, Federal Communications Commission (national de-~~  
20 ~~fense), \$930,000.~~

21 Federal Power Commission: National defense activities,  
22 \$17,628.

23 National Advisory Committee for Aeronautics: Advisory  
24 Committee for Aeronautics, \$2,000,000.

1        Selective Service System: Salaries and expenses, \$2,-  
2    957,500.

3 United States Maritime Commission: Construction fund,  
4 Act June 29, 1936, revolving fund, \$496,500,000.

5 FEDERAL SECURITY AGENCY

6 Public Health Service:

7 Health and sanitation activities, war and defense  
8 areas (national defense), \$392,568.

9 Malaria and diseases of tropical origin (national de-  
10 fense), \$1,862,501.

11 Training for nurses (national defense) , \$15,557,000,  
12 and the limitation on the amount which may be expended  
13 for administrative expenses is hereby decreased from  
14 “\$788,255” to “\$611,322”.

15 ~~SOCIAL SECURITY BOARD~~

16        There is appropriated, out of any money in the Treasury  
17   not otherwise appropriated, for the fiscal year ending June  
18   30, 1946, for grants to States for administration of unem-  
19   ployment compensation and employment service facilities  
20   operated in conjunction therewith, as authorized in title III  
21   of the Social Security Act, approved August 14, 1935, as  
22   amended, \$30,000,000, which shall be in addition to the  
23   amounts appropriated for such purposes in title II of the  
24   Labor-Federal Security Appropriation Act, 1946.

## FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

## NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia. \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Admin



1    istrator from the disposition of property, or from the removal  
2    of temporary housing, acquired or constructed under the  
3    provisions of this Act, of Public Laws Numbered 9. 73, and  
4    353, Seventy-seventh Congress, and of section 201 of the  
5    Second Supplemental National Defense Appropriation Act,  
6    1941, as amended, shall be available for expenses of disposi-  
7    tion and removal, including the establishment of necessary  
8    reserves therefor and administrative expenses in connection  
9    therewith: *Provided*, That moneys derived by said Admin-  
10    istrator from the disposition of any such property or the re-  
11    moval of any such temporary housing may be deposited in a  
12    common fund account or accounts in the Treasury: *And pro-*  
13    *vided further*, That except for necessary reserves authorized  
14    by this Act or by section 201 of the Second Supplemental  
15    National Defense Appropriation Act, 1941, as amended, the  
16    unobligated balances of the moneys deposited into the Treas-  
17    ury from the disposition of any such property or the removal  
18    of any such temporary housing shall be covered at the end of  
19    each fiscal year into miscellaneous receipts.

20        “(c) Moneys in the reserve account established by the  
21    National Housing Administrator pursuant to subsections (a)  
22    and (b) of this section 303 shall not exceed \$25,000,000  
23    at any time: *Provided*, That all moneys in said account shall  
24    be covered into miscellaneous receipts not later than two  
25    years after the President shall have declared that the emer-

1 gency declared by him on September 8, 1939, has ceased  
2 to exist."

3 In all, independent offices, ~~\$666,505,849~~ \$665,575,849.

## 4 EXECUTIVE DEPARTMENTS

### 5 [Non-War]

#### 6 DEPARTMENT OF AGRICULTURE

7 ~~Emergency rubber project, \$1,649,790, and the balance~~  
8 ~~remaining shall be used to liquidate such project, including~~  
9 ~~the elimination of the remaining plantations, the rehabilita-~~  
10 ~~tion and return of leased lands to the owners and the disposal~~  
11 ~~of other property according to law, and for the continuation~~  
12 ~~of the production, breeding, and disease phases of guayule~~  
13 ~~research on indicator plots and experimental areas until~~  
14 ~~June 30, 1946.~~

15 *Emergency rubber project, \$1,649,790, and the balance*  
16 *remaining shall be used under the direction of the Secretary*  
17 *of Agriculture to liquidate such project in an orderly manner*  
18 *immediately on the passage of this Act, including selling the*  
19 *two mills as individual units and disposal of each lease by sale*  
20 *or by contractual arrangement; and for field and laboratory*  
21 *research on the various phases of guayule and retaining all*  
22 *needed property and equipment to carry out this purpose.*

23 War Food Administration: Salaries and expenses,  
24 \$3,116,894.

1       Emergency supplies for Territories and possessions,  
2   \$25,000,000.

3       The following appropriations shall be so administered  
4   as to avoid the incurrence of deficiencies therein except for  
5   such added expense occasioned by the Federal Employees  
6   Pay Act of 1945 as it may not be practicable to absorb,  
7   namely:

8       Bureau of Agricultural Economics, salaries and expenses  
9   (crop and livestock estimates).

10      Office of Foreign Agricultural Relations, salaries and  
11   expenses.

12      Agricultural Research Administration:

13          Bureau of Animal Industry, salaries and expenses  
14   (meat inspection) ;

15          Bureau of Plant Industry, Soils, and Agricultural  
16   Engineering, salaries and expenses (fruit, vegetable, and  
17   specialty crops) ;

18          Bureau of Entomology and Plant Quarantine, sala-  
19   ries and expenses (foreign plant quarantine).

20      Forest Service:

21          Salaries and expenses (national forest protec-  
22   tion and management) ;

23          Forest-fire cooperation.



## DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

## DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division of Geography, \$20,000.

~~War Relocation Authority: Salaries and expenses,~~  
~~War Relocation Authority, Department of the Interior,~~  
~~\$5,000,000.~~

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War:

Salaries and expenses, \$275,000, and on April 1,

1 1946, the sum of \$150,000 of said appropriation shall  
2 be transferred to the appropriation "Economies of  
3 mineral industries", Bureau of Mines, and the limitation  
4 in said latter appropriation for personal services in the  
5 District of Columbia shall be increased from "397,500"  
6 to "\$529,000".

## 7 Bureau of Mines

8 Enforcement of Federal Explosives Act, \$27,900.

9 Investigation of raw-material resources for steel pro-  
10 duction (national defense), \$180,000.

11 Construction and equipment of helium plants, \$260,000.

12 Manganese beneficiation pilot plants and research (na-  
13 tional defense), \$50,000.

14        Production of alumina from low-grade bauxite, aluminum  
15    clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum  
clay deposits (national defense), \$350,000.

18        Magnesium pilot plants and research (national de-  
19 fense), \$150,000.

Investigation of deposits of critical and essential minerals  
in the United States and its possessions (national defense),  
\$420,000.

23 GOVERNMENT IN THE TERRITORIES

Emergency fund, Territories and island possessions  
(national defense), \$332,000.

## DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), ~~\$2,480,000~~ \$1,240,000.

## DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

United States Employment Service:

Employment office facilities and services: The unexpended and unobligated balances, on the thirtieth day after the date of the enactment of this Act, of appropriations, excluding the appropriation of \$7,791,134 to carry into effect the provisions of section 602 of title IV of the Servicemen's Readjustment Act of 1944,



1      Public Law 346, Seventy-eighth Congress, made in the  
2      first paragraph under the heading "Employment Office  
3      Facilities and Services" in title VII of the Labor-Federal  
4      Security Appropriation Act, 1946, shall, on such  
5      thirtieth day, be carried to the surplus fund and covered  
6      into the Treasury.

7      *Employment Office Facilities and Services: The appro-*  
8      *priations made in the first paragraph under the heading*  
9      *"Employment Office Facilities and Services" in title VII of*  
10     *the Labor-Federal Security Appropriation Act, 1946, shall*  
11     *be available, in addition to the objects which are specified*  
12     *in the first paragraph under the heading "Employment*  
13     *Office Facilities and Services" in title VII of the Labor-*  
14     *Federal Security Appropriation Act, 1946, for grants*  
15     *to States to finance the total costs of administration*  
16     *of State-wide systems of public employment offices, in*  
17     *accordance with standards and regulations prescribed by*  
18     *the Secretary of Labor as necessary to carry out the*  
19     *purposes of the Act of Congress approved June 6, 1933,*  
20     *as amended (excluding section 5 thereof): Provided, That the*  
21     *Secretary of Labor shall make such grants through the Social*  
22     *Security Board and in accordance with the procedures*  
23     *applicable to grants under title III of the Social Security Act,*  
24     *as amended, and shall, in connection therewith, certify to the*  
25     *Social Security Board the amounts of such grants for*

1 each State; and upon such certification the Social Security  
2 Board shall certify such amount to the Secretary of the  
3 Treasury, in addition to the amount, if any, payable by said  
4 Board under the provisions of section 302 (a) of the Social  
5 Security Act, as amended, and the additional amount so  
6 certified shall be paid to each State by the Secretary of the  
7 Treasury out of the appropriations herein made available  
8 for such grants: Provided, That such portion of such ap-  
9 propriations as may be necessary shall be available to the  
10 United States Employment Service for all necessary ex-  
11 penses, including personal services, incurred in connection  
12 with the operation of employment office facilities and services  
13 in the District of Columbia: Provided further, That no  
14 portion of such appropriations shall be made avail-  
15 able to a State unless the State (1) has made pro-  
16 vision for the transfer to and retention in the State-wide  
17 system of public employment offices of employees of the  
18 Federal Government who had been employed in State and  
19 local employment service functions in such State, in the  
20 positions occupied by them under the Federal service or  
21 in reasonably comparable positions except that individuals  
22 so transferred may be separated or terminated for good  
23 cause, as determined in individual cases under the ap-  
24 plicable State merit system, or separated or terminated

1 by reason of reductions in force found necessary in the  
2 interests of efficient operations, and may be separated after  
3 they have been given a reasonable opportunity to acquire  
4 eligibility for continued employment in the State-wide sys-  
5 tem of public employment offices under the State merit  
6 system in the positions occupied by them under the Fed-  
7 eral service or in reasonably comparable positions or (2)  
8 has requested the detail of such employees to the State  
9 agency under the following proviso: Provided further, That  
10 so much of such appropriations as may be necessary  
11 shall be available, in lieu of any portion of the grant  
12 to the State, for the payment of compensation (under the  
13 salary scales applicable to such employees prior to the  
14 enactment of this Act) to employees of the United States  
15 Employment Service in the Department of Labor, who,  
16 upon the request of the State, and for the purpose of per-  
17 mitting continuity in their employment pending an oppor-  
18 tunity to qualify for State employment in accordance with  
19 this paragraph, may be detailed by the Secretary of Labor  
20 to the State agency for service in the State-wide system of  
21 public employment offices: Provided further, That if, after  
22 reasonable notice and opportunity for hearing (which may  
23 be a joint hearing with the Social Security Board under  
24 title III of the Social Security Act, as amended) to the  
25 State agency, the Secretary of Labor or his representa-



1 tive determines, and so certifies to the Social Security  
2 Board, that the State has failed substantially to comply  
3 with the provisions required by this paragraph or with  
4 standards and regulations prescribed to carry out the pur-  
5 poses of the Act of Congress approved June 6, 1933, as  
6 amended, the Secretary of Labor, in lieu of making the  
7 grant to the State for such purpose, may maintain in such  
8 State a State-wide system of public employment offices until  
9 the Secretary is satisfied that there will no longer be any  
10 such failure to comply.

11       On the earliest practicable date in the case of each  
12 State, but in no case later than the one hundred and  
13 twentieth day after the date of enactment of this Act,  
14 the Secretary of Labor shall transfer to the State agency  
15 in each State designated under section 4 of the Act  
16 of Congress approved June 6, 1933, as amended, as the  
17 agency to cooperate with the United States Employment  
18 Service under said Act, the operation of State and local public  
19 employment office facilities in such State, and in connection  
20 therewith the Secretary of Labor shall provide for the return  
21 to such State of the employment office facilities and properties  
22 transferred by such State to the Federal Government in 1942  
23 to promote the national war effort and may also provide for  
24 the transfer and assignment to such State, without reimburse-  
25 ment therefor, of all other public employment office facilities

1 *and properties including records, files, and office equipment*  
 2 *which are located in such State: Provided, That as a condition*  
 3 *to such transfer and assignment of Federal properties the Sec-*  
 4 *retary may require the recipient State to waive any claim*  
 5 *which may then exist or thereafter arise out of the use made*  
 6 *by the Federal Government of, or for the loss of or damage to,*  
 7 *property and facilities transferred by the State to the Federal*  
 8 *Government in 1942.*

9

## WAR DEPARTMENT

10 The Panama Canal: Maintenance and operation of the  
 11 Panama Canal, \$5,000,000.

12 In all, executive departments, ~~\$57,854,572~~ \$51,594,572.

13 In all, title I, ~~\$2,956,807,646~~ \$2,940,828,227.

14

## Miscellaneous Provisions, Title I

15

## REDUCTIONS IN CONTRACT AUTHORIZATIONS

16 Contract authorizations of the departments and agencies  
 17 available in the fiscal year 1946 are hereby reduced in the  
 18 sums hereinafter set forth:

19

## EXECUTIVE OFFICE OF THE PRESIDENT

20 Emergency funds appropriated to the President: Defense  
 21 aid—lend-lease, \$600,000,000.

22

## INDEPENDENT OFFICES

23 United States Maritime Commission: Construction fund,  
 24 Act June 29, 1936, revolving fund, \$325,900,000.

## FEDERAL WORKS AGENCY

## Public Roads Administration:

Strategic highway network, \$1,484,363.

Access roads, ~~\$3,076,845~~ \$2,576,845.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE  
EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

## EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

~~Alien Property Custodian, \$500,000.~~

## War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

## INDEPENDENT OFFICES

## Smaller War Plants Corporation:

Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

## United States Maritime Commission:

Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.



## 1       EXTENDING AVAILABILITY OF APPROPRIATIONS

2       The following appropriations for the fiscal year 1946  
3       are hereby continued available until June 30, 1946, except  
4       as modified in this title.

## 5       Executive Office of the President:

6           Bureau of the Budget, national defense activities,  
7       independent offices:

8           Civil Service Commission, salaries and expenses  
9       (national defense).

10          Federal Communications Commission, salaries  
11       and expenses (national defense).

12          Federal Power Commission: National defense ac-  
13       tivities.

## 14       Federal Security Agency:

15          Office of the Administrator:

16           Salaries and expenses, Office of Community  
17       War Services;

18           Expenses, temporary aid to enemy aliens and  
19       other restricted persons.

## 20       Department of the Interior:

21          Office of the Secretary:

22           Salaries and expenses, Division of Geography,

23       Department of the Interior.

CORPORATE FUNDS TO BE TRANSFERRED TO THE  
TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,

\$315,500.

Prencinradio, Incorporated, \$875,000.

GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-1946,

~~\$12,829,151~~ \$10,829,151.

1           Expediting Production of Equipment and Supplies  
2           for National Defense, 1940-1946, \$282,892,000.

3           General Staff Corps:

4           Contingent Fund, Chief of Staff, 1942-1946,  
5           \$124,335,489.

6           Special Field Exercises, Army, 1942-1946,  
7           \$51,246,874.

8           Finance Department:

9           Finance Service, Army, 1942-1946, \$207,000, and  
10          subappropriations under this head are hereby decreased  
11          as follows: (1) Expenses of courts martial, \$36,000;  
12          and (2) Apprehension of deserters, \$171,000.

13          Quartermaster Corps:

14          Quartermaster Service, Army, 1942-1946, ~~\$3,944,-~~  
15          ~~994,479~~ \$3,899,682,479, and subappropriations under  
16          this head are hereby decreased as follows: (1) Welfare  
17          of enlisted men, ~~\$10,000,000~~ \$5,000,000; (2) sub-  
18          sistence of the Army, \$1,762,081,479; (3) regular  
19          supplies of the Army, ~~\$561,018,000~~ \$521,018,000;  
20          (4) clothing and equipage, \$1,563,225,000; (5)  
21          horses, draft and pack animals, ~~\$1,670,000~~ \$1,358,000;  
22          and (6) Army transportation, \$47,000,000.

23          Transportation Corps:

24          Transportation Service, Army, 1945-1946, \$704,-  
25          268,000.



Signal Corps:

Signal Service of the Army, 1942-1946, ~~\$1,679-~~  
~~434,000~~ \$1,671,934,000.

Air Corps:

Air Corps, Army, 1942-1946, ~~\$12,166,313,000~~  
 \$11,313,313,000: *Provided, That before any permanent*  
*fields are determined upon or permanent buildings*  
*erected thereon the Air Corps shall submit to Congress*  
*a list of such fields and the justification therefor.*

Medical Department:

Medical and Hospital Department, Army, 1942-  
 1946, ~~\$268,039,000~~ \$267,539,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, ~~\$2,349,523,-~~  
~~571~~ \$2,306,763,000, and subappropriations under this  
 head are hereby decreased as follows: (1) Engineer  
 Service, ~~\$2,054,408,571~~ \$2,011,648,000; (2) Military  
 posts, \$148,255,000; and (3) Barracks and quarters,  
 Army, \$146,860,000.

Ordnance Department:

Ordnance Service and Supplies, Army, 1942-1946,  
~~\$8,300,000,000~~ \$8,100,000,000.

Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-1946,  
 \$997,870,000.

1 Special Service Schools:

2 Special Service Schools, Army, 1942-1946,  
3 \$178,000, and subappropriations under this head are  
4 hereby decreased as follows: (1) Infantry School,  
5 \$81,000; (2) Cavalry activities, \$22,700; and (3)  
6 Field Artillery activities, \$74,300.

7 Seacoast defenses:

8 Seacoast defenses, general, 1942-1946, \$1,664,000.

9 United States Military Academy: Pay of Military  
10 Academy, 1942-1946, \$21,000.

11 Inter-American Relations, War Department: Inter-  
12 American Relations, War Department, 1943-1946, \$75,000.

13 Office of the Secretary:

14 Contingent expenses, War Department, 1942-1946,  
15 \$1,200,000.

16 Printing and binding, War Department, 1942-1946,  
17 \$18,000,000.

## 18 TRANSFER OF APPROPRIATIONS

19 In addition to the transfers authorized by section 3 of the  
20 Military Appropriation Act, 1946, transfers of not to exceed  
21 the amounts hereinafter set forth may be made, with the  
22 approval of the Bureau of the Budget, from the appropriation  
23 "Ordnance Service and Supplies, Army", to the following  
24 appropriations:

25 Army War College, \$23,819;

1       Command and General Staff School, Fort Leavenworth,  
2       Kansas, \$30,189;

3       Quartermaster Service, Army, \$7,881,967;

4       Rock Island Bridge, Rock Island, Illinois, \$5,719;

5       Instruction in armored force activities, \$389,756;

6       Maintenance and Operation, United States Military  
7       Academy, \$1,323,884.

8       *Army of the Philippines, \$200,000,000: Provided,*  
9       *That service in the organized military forces of the Govern-*  
10      *ment of the Commonwealth of the Philippines, while such*  
11      *forces were in the service of the armed forces of the United*  
12      *States pursuant to the military order of the President of*  
13      *the United States dated July 26, 1941, shall not be deemed*  
14      *to be or to have been service in the military or naval forces*  
15      *of the United States or any component thereof for the pur-*  
16      *poses of any law of the United States conferring rights,*  
17      *privileges, or benefits upon any person by reason of the*  
18      *service of such person or the service of any other person*  
19      *in the military or naval forces of the United States or any*  
20      *component thereof, except benefits under (1) the National*  
21      *Service Life Insurance Act of 1940, as amended, under*  
22      *contracts heretofore entered into, and (2) laws administered*  
23      *by the Veterans' Administration providing for the pay-*  
24      *ment of pensions on account of service-connected disability*  
25      *or death: Provided further, That such pensions shall be paid*



1 *at the rate of one Philippine peso for each dollar author-*  
2 *ized to be paid under the laws providing for such pensions:*  
3 *Provided further, That any payments heretofore made under*  
4 *any such law to or with respect to any member of the*  
5 *military forces of the government of the Commonwealth*  
6 *of the Philippines who served in the service of the armed*  
7 *forces of the United States shall not be deemed to be invalid*  
8 *by reason of the circumstances that his service was not*  
9 *service in the military or naval forces of the United States*  
10 *or any component thereof within the meaning of such law.*

11 GENERAL PROVISION

12 Appropriations for the Military Establishment for the  
13 fiscal year 1946 available for expenses of travel may be  
14 used under regulations prescribed by the Secretary of War,  
15 for the payment, in lieu of transportation in kind or move-  
16 ment at Government expense authorized by law for de-  
17 pendants, of 4 cents per mile for dependents twelve years  
18 of age or over and of 2 cents per mile for dependents be-  
19 tween five and twelve years of age, in advance or other-  
20 wise, in accordance with distances established for payment  
21 and settlement of mileage accounts of officers pursuant to  
22 the provisions of the Act of June 12, 1906, as amended  
23 (34 Stat. 246; 10 U. S. C. 870).

24 In all, title II, ~~\$30,903,090,564~~ \$29,752,017,993.

1 TITLE III—NAVAL ESTABLISHMENT

2 Office of the Secretary:

3 Miscellaneous expenses, Navy:

4 Fiscal year 1944, \$2,323,605.

5 Fiscal year 1945, \$671,805.

6 Fiscal year 1946, ~~\$13,000,000~~ \$10,800,000.

7 Contingent, Navy:

8 Fiscal year 1944, \$74,000.

9 Fiscal year 1945, \$49,000.

10 Fiscal year 1946, \$20,000.

11 Naval emergency fund:

12 Fiscal year 1945, \$25,477.

13 Fiscal year 1946, \$3,000,000.

14 Naval Research Laboratory:

15 Fiscal year 1944, \$5,185.

16 Fiscal year 1945, \$3,002.

17 Fiscal year 1946, \$90,000.

18 Operation and conservation of naval petroleum reserves:

19 Fiscal year 1944, \$6,986.

20 Fiscal year 1945, \$6,353.

21 Fiscal year 1946, \$18,000.

22 Ocean and lake surveys, Navy:

23 Fiscal year 1944, \$6,677.

24 Fiscal year 1945, \$21,298.

1 Bureau of Naval Personnel:

2 Naval War College:

3 Fiscal year 1944, \$4,521.

4 Fiscal year 1945, \$2,886.

5 Naval Training Station, San Diego, California:

6 Fiscal year 1944, \$232,338.

7 Fiscal year 1945, \$327,515.

8 Naval Training Station, Newport, Rhode Island:

9 Fiscal year 1944, \$823.

10 Fiscal year 1945, \$256.

11 Naval Training Station, Great Lakes, Illinois:

12 Fiscal year 1944, \$459,244.

13 Fiscal year 1945, \$29,510.

14 Fiscal year 1946, \$700,000.

15 Naval Training Station, Norfolk, Virginia:

16 Fiscal year 1944, \$4,488.

17 Fiscal year 1945, \$14,879.

18 Naval Training Station, Lake Pend Oreille, Idaho:

19 Fiscal year 1944, \$54,790.

20 Fiscal year 1945, \$604,708.

21 Naval Training Station, Lake Seneca, New York:

22 Fiscal year 1944, \$38,894.

23 Fiscal year 1945, \$3,209.



1 Naval Training Station, Port Deposit, Maryland:

2 Fiscal year 1945, \$2,794.

3 Fiscal year 1946, \$500,000.

4 Fleet Training, Navy:

5 Fiscal year 1944, \$11,108.

6 Fiscal year 1945, \$164,695.

7 Fiscal year 1946, \$78,000.

8 Instruction, Navy:

9 Fiscal year 1944, \$2,151,364.

10 Fiscal year 1945, \$120,000.

11 Fiscal year 1946, ~~\$9,000,000~~ \$6,000,000.

12 Libraries, Navy:

13 Fiscal year 1944, \$145,920.

14 Fiscal year 1945, \$1,693.

15 Fiscal year 1946, \$1,252,935.

16 Welfare and Recreation, Navy:

17 Fiscal year 1944, \$903,681.

18 Fiscal year 1946, \$4,124,000.

19 Naval Reserve Officers' Training Corps:

20 Fiscal year 1944, \$237,300.

21 Fiscal year 1945, \$88,337.

22 Miscellaneous expenses, Bureau of Naval Personnel:

23 Fiscal year 1944, \$3,009.

24 Fiscal year 1945, \$124.

25 Fiscal year 1946, \$20,000.

## 1        Naval Reserve:

2            Fiscal year 1944, \$54,961,800.

3            Fiscal year 1945, \$24,511,154.

4            Fiscal year 1946, ~~\$50,000,000~~ \$38,262,000.

## 5        Pay, Naval Academy:

6            Fiscal year 1944, \$88,394.

7            Fiscal year 1945, \$93,796.

## 8        Maintenance, Naval Academy:

9            Fiscal year 1944, \$6,877.

10           Fiscal year 1945, \$2,529.

## 11       Naval Home, Philadelphia, Pennsylvania:

12           Fiscal year 1944, \$610.

13           Fiscal year 1945, \$1,250.

## 14       Naval Prison Farms and Prison Personnel:

15           Fiscal year 1944, \$10.

16           Fiscal year 1945, \$5,100.

## 17       Bureau of Ships:

## 18       Maintenance, Bureau of Ships:

19           Fiscal year 1942, \$43,907,135.

20           Fiscal year 1942-43, \$51,956,375.

21           Fiscal year 1943, \$64,050,351.

22           Fiscal year 1944, \$52,247,000.

23           Fiscal year 1945, \$118,474,000.

24           Fiscal year 1946, \$1,468,000,000.

1 Defense installations on merchant vessels, Navy, \$13,-  
2 658,123.

3 Bureau of Ordnance:

4 Ordnance and ordnance stores, Navy:

5 Fiscal year 1944, \$551,226,542.

6 Fiscal year 1945, \$1,208,752,767.

7 Fiscal year 1946, ~~\$2,600,000,000~~ \$2,550,451,000.

8 Bureau of Supplies and Accounts:

9 Pay, subsistence, and transportation, Navy, 1944,  
10 ~~\$128,214,285~~ \$69,247,269.

11 Pay and subsistence of naval personnel, 1946.  
12 \$1,317,369,200.

13 Maintenance, Bureau of Supplies and Accounts, 1946,  
14 \$81,314,000.

15 Transportation of things, Navy, 1946, \$140,036,282.

16 Fuel, Navy, 1946, \$100,000,000.

17 Bureau of Medicine and Surgery:

18 Medical Department, Navy:

19 Fiscal year 1944, \$14,017,195.

20 Fiscal year 1945, \$12,238,592.

21 Fiscal year 1946, \$30,000,000.

22 Bureau of Yards and Docks:

23 Maintenance, Bureau of Yards and Docks:

24 Fiscal year 1944, \$2,431,496.



1 Fiscal year 1945, \$3,139,211.

2 Fiscal year 1946, ~~\$15,000,000~~ \$5,000,000.

3 Public Works, Bureau of Yards and Docks, \$400,-  
 4 000,000, and the contract authorization for "Public Works,  
 5 Bureau of Yards and Docks" available in the fiscal year  
 6 1946 is hereby reduced in the sum of ~~\$1,229,880,000~~  
 7 ~~\$1,283,510,540~~: *Provided, That the rescission of \$400,000,-*  
 8 *000 of the appropriation shall not act to reduce further the*  
 9 *contract authority: Provided further, That of this amount*  
 10 *\$946,000,000 shall apply against advance base construction,*  
 11 *material and equipment.*

12 Bureau of Aeronautics:

13 Aviation, Navy:

14 Fiscal year 1943, \$256,482,489.

15 Fiscal year 1943-44, \$193,929,557.

16 Fiscal year 1944, \$811,987,405.

17 Fiscal year 1945, \$1,468,753,102.

18 Fiscal year 1946, ~~\$1,481,300,000~~ \$1,324,691,800,  
 19 and subappropriations under this head are hereby de-  
 20 creased as follows: (1) New construction and procure-  
 21 ment of aircraft and equipment, spare parts, and so forth,  
 22 from "\$799,128,500" to "~~\$135,765,200~~ \$128,116,-  
 23 900", (2) replacement of navigational and radio equip-  
 24 ment for aircraft in service, and so forth, from "\$168,-  
 25 808,200" to \$44,934,000", and (3) maintenance, re-

pair, and operation of aircraft factory, air stations, and so forth, from “\$1,431,840,800” to “\$758,050,800 \$835,050,800”, and (4) continuing experiments and developmental work, and so forth, from “\$81,272,500” to “\$61,000,000”; the subappropriation “continuing experiments and development work, and so forth,” is hereby increased from “\$81,272,500” to “\$148,256,500”; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

#### Marine Corps:

##### Pay, Marine Corps:

Fiscal year 1944, ~~\$41,321,480~~ \$40,521,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

##### Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

##### Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

##### Pay of civil force, Office of Quartermaster General, Marine Corps:

Fiscal year 1944, \$844.

1 Fiscal year 1945, \$1,059.

2 General expenses, Marine Corps:

3 Fiscal year 1944, \$79,787,482.

4 Fiscal year 1945, \$56,737,554.

5 Fiscal year 1946, ~~\$310,000,000~~ \$307,750,000.

6 Increase and replacement of naval vessels:

7 Increase and replacement of naval vessels, con-  
8 struction and machinery, \$732,104,151.

9 Increase and replacement of naval vessels,  
10 armor, armament and ammunition, \$276,876,967.

11 Increase and replacement of naval vessels,  
12 emergency construction, \$38,385,489: *Provided,*  
13 That the balances remaining of appropriations under  
14 "Increase and replacement of naval vessels" shall  
15 not be available for the period of the fiscal year 1946  
16 subsequent to October 16, 1945, for beginning the  
17 construction of any new vessels, *except, not to exceed*  
18 *\$24,100,000 may be available during the fiscal year*  
19 *1946 against the construction of five advanced type*  
20 *combatant vessels and seventeen minor craft.*

21 Repair facilities, Navy:

22 Repair facilities, Navy, \$38,266,050, and the  
23 contract authorization for "Repair facilities, Navy",  
24 available in the fiscal year 1946 is hereby reduced  
25 in the sum of \$27,562,131.



1 Coast Guard:

2 Salaries, Office of Commandant, United States Coast  
3 Guard:

4 Fiscal year 1944, \$219.

5 Fiscal year 1945, \$133,293.

6 Pay and allowances, Coast Guard:

7 Fiscal year 1944, \$35,006,326.

8 Fiscal year 1945, \$8,658,922.

9 Fiscal year 1946, \$80,000,000.

10 General expenses, Coast Guard:

11 Fiscal year 1944, \$631,865.

12 Fiscal year 1945, \$1,289,896.

13 Fiscal year 1946, \$20,000,000.

14 Civilian employees, Coast Guard:

15 Fiscal year 1944, \$109,654.

16 Fiscal year 1945, \$200,633.

17 Establishing and improving aids to navigation, Coast  
18 Guard, \$346,000.

19 Acquisition of vessels and shore facilities, Coast Guard,  
20 \$2,741,000.

21 Retired pay, former Lighthouse Service, Coast Guard:

22 Fiscal year 1944, \$73,320.

23 Fiscal year 1945, \$48,109.

24 Salaries, Merchant Marine Inspection, Coast Guard.  
25 1945, \$25,536.

1 Salaries and expenses, Merchant Marine Inspection,  
2 Coast Guard:

3 Fiscal year 1944, \$899,401.

4 Fiscal year 1945, \$373,270.

5 Emergency construction, vessels and shore facilities,  
6 Coast Guard (Navy), \$231,000.

7 Special projects, vessels, Coast Guard (Navy), \$127,-  
8 000.

9 Special projects, aids to navigation, Lighthouse Service,  
10 Coast Guard (Navy), \$28,699.

11 Special projects, aids to navigation, Coast Guard  
12 (Navy), \$556,000.

13 NAVY DEPARTMENT

14 Salaries:

15 Salaries, Office of Secretary of the Navy:

16 Fiscal year 1944, \$78.

17 Fiscal year 1945, \$5,330.

18 Salaries, General Board, Navy Department:

19 Fiscal year 1944, \$3,826.

20 Fiscal year 1945, \$8,775.

21 Salaries, Naval Examining and Retiring Boards:

22 Fiscal year 1944, \$1,536.

23 Fiscal year 1945, \$5,662.

Salaries, Office of Naval Records and Library:

Fiscal year 1944, \$879.

Fiscal year 1945, \$7,035.

Salaries, Office of Judge Advocate General, Navy:

Fiscal year 1944, \$5,312.

Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.

Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Department:

Fiscal year 1944, \$3,452.

Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.

Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.



- 1       Salaries, Naval Observatory:
- 2           Fiscal year 1944, \$38.
- 3           Fiscal year 1945, \$1,117.
- 4       Salaries, Bureau of Ships:
- 5           Fiscal year 1944, \$2.
- 6       Salaries, Bureau of Ordnance:
- 7           Fiscal year 1944, \$322.
- 8           Fiscal year 1945, \$151.
- 9       Salaries, Bureau of Supplies and Accounts:
- 10          Fiscal year 1944, \$2,992.
- 11          Fiscal year 1945, \$2,414.
- 12       Salaries, Bureau of Medicine and Surgery:
- 13          Fiscal year 1944, \$4,578.
- 14          Fiscal year 1945, \$2,854.
- 15       Salaries, Bureau of Yards and Docks:
- 16          Fiscal year 1944, \$94.
- 17       Salaries, Bureau of Aeronautics:
- 18          Fiscal year 1944, \$46.
- 19       Contingent expenses:
- 20          Contingent expenses, Navy Department, 1944, \$10,322.
- 21          Contingent expenses, Navy Department, 1946:
- 22          The amount which may be transferred to this appro-
- 23          priation from other appropriations contained in the Naval
- 24          Appropriation Act, 1946, is hereby decreased from "\$5,500.-
- 25          000" to "\$4,500,000".

1       Printing and binding, Navy Department, 1946:

2       The amount which may be transferred to this appro-  
3       piation from other appropriations contained in the Naval  
4       Appropriation Act, 1946, is hereby decreased from "\$18,-  
5       500,000" to "\$10,500,000".

6       Contingent and miscellaneous expenses, Hydrographic  
7       Office:

8               Fiscal year 1944, \$289,839.

9               Fiscal year 1945, \$94,942.

10              Fiscal year 1946, \$413,000.

11       Contingent and miscellaneous expenses, Naval Observa-  
12       tory:

13              Fiscal year 1944, \$572.

14              Fiscal year 1945, \$40.

15                               GENERAL PROVISIONS

16       Provisions of law prohibiting the payment of compensa-  
17       tion to any person not a citizen of the United States shall  
18       not apply to personnel under the Naval Establishment during  
19       the fiscal year ending June 30, 1946.

20       ~~Notwithstanding the provisions of section 10 of the Pay~~  
21       ~~Readjustment Act of 1942 (56 Stat. 364), the Secretary~~  
22       of the Navy is authorized and directed to issue in kind during  
23       the fiscal year ending June 30, 1946, one service blue uni-  
24       form and overcoat to each enlisted man in the naval service

1 upon return to the United States from sea and foreign shore  
2 duty upon the sworn statement of such enlisted man that he  
3 was prevented, by competent naval authority, from taking  
4 such articles of clothing with his person at the time of his  
5 assignment to sea and foreign shore duty: *Provided, That*  
6 *the value of such articles of clothing shall be charged to the*  
7 *clothing and small-stores fund.*

8 *Notwithstanding the provisions of section 10 of the Pay*  
9 *Readjustment Act of 1942 (56 Stat. 364), the Secretary*  
10 *of the Navy is authorized and directed to issue in kind*  
11 *one dress blue uniform and overcoat to each enlisted man*  
12 *in the naval service upon his return to the United States*  
13 *from sea and foreign shore duty for separation from the*  
14 *naval service upon the sworn statement of such enlisted*  
15 *man that these articles of clothing are not now in his posses-*  
16 *sion by reason of compliance with orders of higher naval*  
17 *authority or other exigencies of the service beyond his control*  
18 *and that no claim for reimbursement will be filed for the*  
19 *value of such articles so replaced: Provided, That the value*  
20 *of such articles of clothing shall be charged to the clothing*  
21 *and small-stores fund. The authority contained herein shall*  
22 *terminate on September 30, 1946.*

23 *Personnel of the Naval Reserve, not qualified for sea*  
24 *duty, will, upon their application, be placed on inactive*  
25 *duty if surplus to requirements.*



1        *The dependents and household effects of such civilian*  
2   *and naval personnel of the Naval Establishment (without*  
3   *regard to rank or grade) on duty at locations outside the*  
4   *continental limits of the United States, or in Alaska, as may*  
5   *be determined upon by the Secretary of the Navy, may prior*  
6   *or subsequent to the issuance of orders for the relief of such*  
7   *personnel from their stations, or subsequent to the discharge*  
8   *or release of such personnel from active service, be moved*  
9   *(including packing and unpacking of household effects) from*  
10   *such locations outside the continental limits of the United*  
11   *States, or in Alaska, to such locations as may be designated*  
12   *by such personnel, or dependents concerned, by the use of*  
13   *either Government or commercial means of transportation,*  
14   *and later from such locations to the duty station to which*  
15   *such personnel may be ordered, and current appropriations*  
16   *of the Naval Establishment available for travel and trans-*  
17   *portation may be used for this purpose. In lieu of the trans-*  
18   *portation in kind authorized for dependents, the Secretary of*  
19   *the Navy may authorize the payment in money of amounts*  
20   *equal to the commercial transportation costs (including taxes*  
21   *if paid), for the whole or such part of the travel for which*  
22   *transportation in kind is not furnished when such travel shall*  
23   *have been completed.*

24        In all, title III, ~~\$14,604,721,830~~ \$14,309,609,614.

1

## GENERAL PROVISION

2

The officer and enlisted personnel strengths of the  
3 Army, Navy, Marine Corps, and Coast Guard shall be  
4 demobilized at a rate not less than would be necessary to  
5 keep within the amounts available for their pay in conse-  
6 quence of the provisions of this Act, unless the President  
7 otherwise shall direct.

8

*Effective December 1, 1945, no military or naval per-  
9 sonnel shall receive during the remainder of the current  
10 fiscal year aviation pay unless the person affected is assigned  
11 to duty on air activities prescribed by the Secretary of War  
12 or the Secretary of the Navy as requiring regular and  
13 frequent participation in aerial flights, or is required to  
14 participate regularly and frequently in aerial flights in  
15 order to continue his fitness for his primary technical skill:  
16 Provided further, That in addition, on or before January 1  
17 annually, the Secretaries of War and Navy, respectively,  
18 shall certify to the Congress by rank and age group the  
19 number of such officers above the rank of major of the Army  
20 or lieutenant commander of the Navy, with the average  
21 monthly flight pay authorized by law to be paid to such  
22 officers during the six-month period preceding the date of  
23 the report: Provided further, That the Secretary of War  
24 and the Secretary of the Navy shall on or before January 3,  
25 1946, submit to the Congress a joint recommendation for*

1 *revision of the Pay Readjustment Act of 1942, as amended,*  
2 *including but not restricted to recommendations with respect*  
3 *to increases authorized for flying pay, parachute pay, glider*  
4 *pay, submarine pay, and similar special pay and allowances.*

5 SEC. 301. This Act may be cited as the “First Supple-  
6 mental Surplus Appropriation Rescission Act, 1946”.

Passed the House of Representatives October 19, 1945.

Attest:

SOUTH TRIMBLE,

*Clerk.*



79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 4407**

[Report No. 719]

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## **AN ACT**

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Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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OCTOBER 22, 1945

Read twice and referred to the Committee on  
Appropriations

NOVEMBER 14 (legislative day, OCTOBER 29), 1945

Reported with amendments







79TH CONGRESS  
1ST SESSION

# H. R. 4407

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 15 (legislative day, OCTOBER 29), 1945

Ordered to lie on the table and to be printed

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## AMENDMENT

Intended to be proposed by Mr. OVERTON to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, viz:

1       On page 44, line 8, strike out the word "Effective",  
2   and insert in lieu thereof the following: The appropriations  
3   contained in the 1946 War and Navy Department Approp-  
4   riation Acts shall be available for increased pay for making  
5   aerial flights by flying or nonflying officers at rates as  
6   follows:

7       Nonflying officers, \$720 per annum.

8       Flying officers, not in parachute jumping or glider pay  
9   status, who are required by orders of competent authority

1 to participate in regular and frequent flights as an essential  
2 part of their military duty and training, shall receive an  
3 increase of 50 per centum of their pay when in consequence  
4 of such orders they participate in such flights: *Provided*,  
5 That such increase shall not exceed one hundred and  
6 twenty-five dollars per month: *Provided further*, That  
7 effective——.

79TH CONGRESS  
1ST Session

H. R. 4407

## AMENDMENT

Intended to be proposed by Mr. Overton to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

NOVEMBER 15 (legislative day, OCTOBER 29), 1945

Ordered to lie on the table and to be printed







OFFICE OF BUDGET AND FINANCE  
Legislative Reports and Service Section

79th-1st, No. 204

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 20, 1945, for actions of Monday, November 19, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed reorganization bill; agreed to Taft amendment to continue existing reorganization orders until July 1, 1947. Agreed to Sen. Stewart's request to refer to the Agriculture and Forestry Committee his resolution to terminate rationing. Sen. O'Mahoney inserted his statement urging development of a constructive wool policy. House received President's message recommending health program; Sen. Wagner and Rep. Dingell introduced bills based on message.

SENATE

1. REORGANIZATION. Passed with amendments H.R. 4129, the reorganization bill (pp. 10969-75). Agreed to Sen. Taft's (Ohio) amendment to provide that reorganizations effected under the First War Powers Act shall continue until July 1, 1947, so that the President "may have full opportunity to submit a reorganization plan making the changes permanent if he wishes to do so" (pp. 10971-2). Rejected Sen. Smith's (N.J.) amendments (1) to eliminate all restrictions on the President's proposals and provide for adoption by positive law and (2) to automatically refer all plans to committee for action within 10 days (p. 10972).
2. RATIONING. Agreed to Sen. Stewart's (Tenn.) request that the Banking and Currency Committee be discharged from further consideration of his resolution, S. Res. 185 (expressing the sense of the Senate that the rationing of butter, oleomargarine, fats, oils, and meats should cease) and to have the resolution referred to the Agriculture and Forestry Committee (pp. 10967-8).
3. WOOL. Sen. O'Mahoney, Wyo., inserted his testimony before the Special Committee on the Production, Transportation, and Marketing of Wool in which he urged development of a constructive wool policy (pp. 10968-9).
4. RESCISSION BILL. This bill, H.R. 4407, was made the order of business for Nov. 21 (pp. 10976-7).
5. NOMINATION. Confirmed the nomination of Robert E. Freer to be Federal Trade Commissioner (p. 10978).



6. PERSONNEL; HEALTH. H. R. 2716, as reported by the Civil Service Committee (see Digest 202): Provides for promoting and maintaining the physical and mental fitness of employees of the Federal Government; to carry out these purposes the heads of departments and agencies would be authorized, within the limits of appropriations made by the Congress, to establish health programs for their employees; services provided under such programs would be limited to treatments of minor illnesses and dental conditions and emergency cases of injury or illness sustained by an employee in the performance of his duty, preemployment and other examinations; referral of employees to private physicians and dentists; and education and preventive programs relating to health; designates the CSC as the coordinating agency in the development of such services, and provides that programs can be established only upon recommendation of the Commission after consultation with the Public Health Service; and prohibits the establishment of health programs under the act in localities in which the number of persons employed is not sufficient to warrant the furnishing of such services.
7. ADMINISTRATIVE LAW. The Judiciary Committee reported with amendment S. 7, to improve the administration of justice by prescribing fair administrative procedure (S.Rept. 752) (p. 10959).
8. MINERALS. The Public Lands and Surveys Committee reported with amendment H.R. 608, to exclude certain lands in Deschutes County, Oreg., from the provisions of the statutes relating to the promotion of the development of U.S. mining resources (S. Rept. 753) (p. 10959).
9. RESEARCH; ATOMIC ENERGY. Sen. Hoey, N.C., inserted a Wake Forest College resolution urging open research and discussion with other nations on atomic energy (p. 10958-9).
10. MILITARY TRAINING. Sen. Butler, Nebr., inserted an Ansgar Lutheran editorial and a serviceman's letter criticizing universal military training (pp. 10959-60).
11. VETO. Sen. Vandenburg, Mich., spoke in favor of the item veto and included a Gallup poll on the subject (pp. 10957-8).

#### HOUSE

12. PRICE CONTROL. Rep. Gallagher, Minn., commended OPA price administration and included a Chicago Herald editorial on the subject (pp. 10980-1).
13. COFFEE SUBSIDY. Rep. Buffett, Nebr., criticized the proposed \$24,000,000 six-months' coffee subsidy (p. 10984).
14. COTTON STATISTICS. Received this Department's draft of a proposed bill on the collection and publication of statistics of the grade and staple length of cotton. To Agriculture Committee. (p. 10998).
15. PERSONNEL; RETIREMENT. Both Houses received CSC's draft of a proposed bill to provide eligibility for annuity at age 70 after at least 5 years of service in lieu of 15 years of such service. To Civil Service Committees. (pp. 10958, 10998).
16. HEALTH; PRESIDENT'S MESSAGE. Received the President's recommendations for a public-health program (pp. 10989-93).
17. ST. LAWRENCE SEAWAY. Rep. Pittenger, Minn., reported on the status of this project (p. 10983-4).



The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. CORDON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hart	O'Daniel
Ball	Hatch	O'Mahoney
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Reed
Brewster	Hickenlooper	Revercomb
Bridges	Hill	Robertson
Buck	Hoey	Russell
Bushfield	Huffman	Shipstead
Butler	Johnson, Colo.	Smith
Byrd	Johnston, S. C.	Stewart
Capper	Knowland	Taft
Carville	La Follette	Taylor
Chavez	Lucas	Thomas, Okla.
Connally	McCarran	Tobey
Cordon	McClellan	Tunnell
Dennell	McFarland	Tydings
Downey	McKellar	Vandenberg
Eastland	McMahon	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	White
George	Mitchell	Wiley
Gerry	Moore	Wilson
Green	Morse	Yung
Guffey	Murdock	
Gurney	Myers	

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

The question is, Shall the bill pass?

The bill (H. R. 4129) was passed.

The title was amended so as to read: "An act to provide for the reorganization of Government agencies and for other purposes."

Mr. MURDOCK. Mr. President, I move that the Senate insist on its amendment, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. HATCH, Mr. MURDOCK, Mr. FERGUSON, and Mr. REVERCOMB conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, the bill (S. 1120) to provide for the reorganization of Government agencies, and for other purposes, will be indefinitely postponed.

#### PRINTING OF MANUSCRIPT RELATING TO INCOME TAX LAWS OF MEMBERS OF ARMED FORCES OF WORLD WAR II

The PRESIDING OFFICER (Mr. MITCHELL in the chair) laid before the Senate House Concurrent Resolution 102, which was read, as follows:

*Resolved by the House of Representatives (the Senate concurring), That the manuscript entitled "Questions and Answers Explanatory of the Federal Income Tax Law With Respect to Members of the Armed Forces of the United States in World War II" be printed with illustrations, as a public document, and that 12,000 additional copies shall be printed, of which 10,000 shall be for the House document room and 2,000 for the Senate document room.*

Mr. HAYDEN. I move that the Senate concur in the concurrent resolution of the House.

Mr. WHITE. Will the Senator indicate just exactly what this is?

Mr. HAYDEN. The concurrent resolution authorizes the printing of a public document providing information for veterans with respect to income tax laws.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

#### LABOR-MANAGEMENT PROBLEMS—STATEMENT BY NATIONAL CATHOLIC WELFARE COUNCIL

Mr. MEAD. Mr. President, on November 18 a release covering the subject of labor-management problems was made public by the Most Reverend Karl J. Alter, bishop of Toledo, chairman of the social action department of the National Catholic Welfare Council.

I look with favor upon suggestions of this character which have to do with the development of advanced ideas in the field of labor-management relations. Because of the importance of this news release, and because of the originality of the suggestions which it contains, I should like to have it made part of the CONGRESSIONAL RECORD.

I wish to point out particularly two paragraphs which I think are very interesting. I read from the statement:

The suggestion grows out of two facts that hinder the settlement of labor disputes. One is the danger that if strikes of great magnitude occur, laws enforcing compulsory arbitration may ensue. That would be tragic. Voluntary arbitration is good, but compulsory arbitration is a long leap down the totalitarian road and is no help toward the proper settlement of disputes on either side. It will, in fact, not be accepted so long as the working people and the employers are Americans and believe in their dignity as sons of God.

The statement says further:

Our proposal is a modest one but one of far-reaching importance. It is that a method of fact-finding be set up to reinforce conciliation, arbitration, collective bargaining, and the attitude of the public toward any important labor dispute; \* \* \* These boards would make the facts known. They would make no decision as to the dispute. They would present the facts to fortify the right side in a dispute.

Mr. President, this suggestion is built around the possibility of setting up fact-finding boards which would not be directly associated with the conciliation or the arbitration or the collective bargaining agency, but would be independent, separate, and distinct, and would bring out the facts after consultation with both sides to the dispute, or all sides to the dispute, and make the facts available to those who have to do with the work of arbitrating or mediating or conciliating disputes.

Mr. TYDINGS. Mr. President, will the Senator from New York yield?

Mr. MEAD. I am glad to yield.

Mr. TYDINGS. I was interested in the remarks of the Senator from New York about compulsory arbitration. From what study I have given the subject, compulsory arbitration is something which theoretically is very appealing, but as a practical solution would not be workable, for the very reason the Senator has mentioned, namely, it would

start a dictatorship if we compelled men on the one hand or industry on the other to do something which they thought would in the end bring ruin on either. I have come to the conclusion that, in spite of the appeal of compulsory arbitration, I do not believe forcible settlement can be achieved without potential liabilities which far outweigh any temporary advantages if that policy should be promulgated and continued.

However, there is one phase of the present labor difficulties about which I should like to see something constructive done. I do not know that I am accurate in my facts, but one gains the impression that when labor and management, through collective bargaining, enter into a contract, and management then breaks the contract, labor has the right to strike, and no one would want to take that right away from labor. On the other hand, if labor breaks its contract and refuses to work, so to speak, under the terms of a collective-bargaining agreement, there does not seem to be any redress for the owner of the plant, or the management. Has the Senator given any thought to that phase of the present difficulties?

Mr. MEAD. It is my opinion, which is substantiated by reports which are drifting into the public press, that that is one of the questions now being considered.

Of course, in all contractual obligations we naturally subscribe to the theory that, once a contract is made, it should be carried out by both parties; but there are many provisions in contracts which subject themselves to multitudinous interpretations, such as cost-of-living requirements, and failure on the part of the contractor to secure sufficient orders to keep his employees together.

Mr. TYDINGS. I do not think there is reasonable ground for difference of opinion, but let us suppose there are a thousand men in a plant, and, for the purposes of the illustration, let us suppose it is a closed shop, and that through collective bargaining a contract is entered into. Let us suppose that 200 men go on a strike unauthorized by the union, in other words, the union itself or its officials do not authorize the strike, but, so far as the company is concerned, the 200 men being in key positions, by striking have perhaps paralyzed the whole plant.

I think that in a case such as the one I have suggested, or one related to it, management is entitled to more protection than the present law gives it. I have noticed something along this line leaking out from the conference now taking place. Certainly if management were to declare a lock-out in violation of a contract it would be held up to censure, and properly so.

Mr. MEAD. Yes.

Mr. TYDINGS. If 200 men who have agreed not to strike because conditions are satisfactory go out on a strike, unless the union orders it, it seems to me management reciprocally should be entitled, in such a case, to some redress. There is a void in the law, so far as that phase of labor-management relations is



concerned. Does the Senator agree with me generally?

Mr. MEAD. I think generally the Senator's statement is correct, but he must remember that there are probably many difficulties which result in injustice to the workers, which have been perpetrated upon them by certain elements of the management class. For instance, it was my obligation to make an investigation of production in the automotive trade, and while on the surface it appeared that the workers were either slowing up or holding up war production, many acts of management could be advanced as reasons behind the work stoppage or slowing up. There are a thousand and one ramifications, but they are generally based upon the ideal condition the Senator presents. Throughout the war it was demonstrated in many cases that the labor leadership of the country came to the support of management in breaking so-called outlaw strikes, and in maintaining proper contractual relations.

Mr. TYDINGS. I agree with the Senator, and it is not an easy situation to handle. My point refers to cases where there is the right of collective bargaining, and management and labor enter into an agreement, and the union, which is the bargaining agent, does not consider the point raised, whatever the dispute may be, sufficient to warrant calling a strike or a real violation of the contract, and therefore it does not order a strike, but, nevertheless, a substantial number of employees strike anyway, indulging in what labor and management have frequently called wildcat strikes, and management stands helpless, even though the labor unions are cooperating with it trying to get the men back into the plant.

I do not believe it is fair to leave the situation in that shape. I have no solution to suggest, but I am hopeful that the present conference will devise one, because it has seemed to me that a case like that presents one of the justifiable complaints which management has had, namely, that if they enter into a contract with a union in good faith, make a hard and fast contract, and the union itself feels satisfied as a whole that the conditions are good, no group should be allowed to break a contract which was entered into for that group's protection.

Mr. MEAD. As I said before, we have had excellent demonstrations of the patriotic efforts of labor leaders to suppress outlaw strikes, such as the Senator has mentioned, especially during the war period. We also have information that this subject is now receiving attention by the labor-management conference. I am sure we are both concerned that no legislation shall be enacted which will in any way deny to the individual the economic freedom which should go with citizenship. That is, we cannot force an individual to sell his labor against his free will. Solution of the problem is difficult, but it occurs to me that by setting up a fact-finding board, such as that recommended in the press release of the National Catholic Welfare Council, there may be the possibility of an avenue of approach so that when the facts are developed, and are made known to both sides and to the public, the number of

strikes which do not carry with them the support of public opinion may be reduced to a minimum.

Mr. President, I will say that I really believe this is one of the most important domestic problems in our democracy, and I am glad to see that colleges and universities are taking up the subject and are organizing schools on management-labor relationships. I think it will result in a great deal of good. The Senator from Maryland will probably recall a recent utterance by Mr. Tobin, the president of the teamsters' union, in which he called attention to the fact that as a rule labor loses tremendously by strikes, except when it is absolutely necessary that they gain recognition, and thus, as sometimes happens, become able to eliminate a serious injustice that could only be eliminated by strikes.

I point out that it would be much better if these gains could be acquired without the economic losses which are sustained by the workers as a result of long-drawn-out strikes. So labor along with management is looking for the opportunity to settle difficulties in a more orderly manner than has been invoked in many cases in the past.

I think so highly of the statement because of the fact that it brings a new element of thought into the consideration of this problem, that I now ask to have it made a part of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

WASHINGTON, November 18, 1945.

The following letter was sent today to the Honorable Lewis B. Schwellenbach, Secretary of Labor and to Judge Walter P. Stacy, chairman, Labor-Management Conference:

"The Department of Social Action of the National Catholic Welfare Conference wishes to make a suggestion to the Department of Labor of the United States and to the Labor-Management Conference.

"The suggestion grows out of two facts that hinder the settlement of labor disputes. One is the danger that if strikes of great magnitude occur, laws enforcing compulsory arbitration may ensue. That would be tragic. Voluntary arbitration is good, but compulsory arbitration is a long leap down the totalitarian road and is no help toward the proper settlement of disputes on either side. It will, in fact, not be accepted so long as the working people and the employers are Americans and believe in their dignity as sons of God.

"The other fact is that methods of conciliation and voluntary arbitration often lack that thorough knowledge of the facts underlying the disputes which normally is necessary for a just agreement or a just decision.

"Our proposal is a modest one but one of far-reaching importance. It is that a method of fact finding be set up to reinforce conciliation, arbitration, collective bargaining, and the attitude of the public toward any important labor dispute; that the fact finding be in the hands of a board representative of neither side of the dispute but representative of, as far as possible, impartial members of the public; that the President of the United States or the Secretary of Labor appoint them; that as many boards, national, regional, or local, be set up as are required to aid in the settlement of major disputes; that these fact-finding bodies be instructed to report quickly; and that they receive statements from both sides in the dispute and from other competent witnesses; and have available all the pertinent knowledge which the Federal or State governments possess.

These boards would make the facts known. They would make no decision as to the dispute. They would present the facts to fortify the right side in a dispute.

"Threats of major strikes now loom. Other strikes seem to be in the offing. Others will occur after this present period ends. We recommend this fact-finding procedure both for current disputes and for the future. The facts will furnish ground for just agreements in collective bargaining and just decisions in arbitration.

"We consider this proposal both as a way to help settle current disputes and as a permanent policy of the American Government and the governments of the States. We do not contemplate this procedure except in important cases.

"The usefulness of these boards depends upon their being established early in a dispute and upon the speed of their action. Delayed statements of fact would be calamitous.

"We think that there are enough honest and capable persons in our country to man these boards in the interest of the general good.

"Sincerely yours,

"KARL J. ALTER,

"Chairman, Social Action Department,

"N. C. W. C., Bishop of Toledo."

Mr. TYDINGS. Mr. President, will the Senator again yield?

Mr. MEAD. I yield.

Mr. TYDINGS. I think I am in general agreement with the philosophy of the Senator from New York on this particular matter, and likewise I have looked with a great deal of approval upon the recent statements of President Truman that one of the most dangerous things that could ever happen to labor would be for the Nation to have what might be called a national wage policy under which everyone's wages more or less would be fixed arbitrarily by the Federal Government. That might in the beginning appeal to labor, but in the end it would simply mean that jurisdiction would be taken of the whole field of wages, and if we ever adopt such a policy labor could not strike without striking against the law, and the law would be there until repealed. So when individuals are appealing to the administration that it fix a particular wage standard, so-called, they are giving hostages to fortune on the road to dictatorship, for the same reason the Senator advanced when he said that compulsory arbitration would also lead in that direction.

I am glad that the administration has not fallen into that error, because in my opinion labor eventually would be hurt more than anyone else if such a policy were carried into effect.

Mr. MEAD. If we set up the machinery for the settlement of disputes, if we give to the participants all the information and all the knowledge necessary for the effective settlement of disputes, and then if we maintain in this democratic country of ours real democracy in the settlement of industrial disputes based upon the freedom of the worker, I believe we will become the outstanding example to the industrial nations of the world.

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 4407, reducing certain appropriations and contract authoriza-



tions available for the fiscal year 1946, and for other purposes. I will state that I make the motion for the purpose of having the bill become the unfinished business, and not with an expectation that it will be taken up this afternoon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent further, as is customary in connection with a bill of this kind, that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ESTABLISHMENT OF NATIONAL PARK IN PHILADELPHIA

Mr. MYERS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 674, House bill 2851, to provide for investigating the matter of the establishment of a national park in the old part of the City of Philadelphia, for the purpose of conserving the historical objects and buildings therein.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2851) to provide for investigating the matter of the establishment of a national park in the old part of the city of Philadelphia, for the purpose of conserving the historical objects and buildings therein.

Mr. DONNELL. Mr. President, I have conferred with certain minority members of the Committee on Public Lands and Surveys, and as the result of the conference I beg leave to state that there is no objection offered on this side of the Chamber to immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to the consideration of the bill (H. R. 2851), which had been reported from the Committee on Public Lands and Surveys with amendments.

The first amendment was, on page 6, line 6, after the word "compensation", to strike out "without regard to" and to insert "in accordance with the provisions of."

The amendment was agreed to.

The next amendment was, on the same page, line 7, after the word "laws", to strike out "or", and insert "and."

The amendment was agreed to.

The next amendment was, on the same page, line 18, after the word "act", to strike out "Any appropriations for the National Park Service not exceeding \$25,000 and moneys which may be do-

nated for the purposes of this act shall be available for the necessary expenses of such investigation", and insert "There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000 to carry out the provisions of this act."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The preamble was agreed to.

#### INCREASE OF PAY OF MEN IN THE ARMED SERVICES

Mr. MORSE. Mr. President, some weeks ago I offered on the floor of the Senate a measure seeking to increase the pay of the men in the armed services. It was voted down by a disappointingly large vote. I based my argument in part for the necessity of such an increase upon the obvious fact that it would increase voluntary enlistments. I think that everything which has transpired in connection with Army service since that date has verified the soundness of my amendment. Those who are opposed to a volunteer army do not want to increase the pay of our soldiers. I repeat today, Mr. President, that I do not think we are going to be able to raise by way of voluntary enlistment the Army which we need to do the police job that is needed to be done in various parts of the world unless we correct the pay injustice that men wearing the uniform of the United States Army today are suffering. Not only are the soldiers suffering a wage injustice but their families are suffering as the result of not being allowed adequate allotments to take care of those families while the men are in the service. I have many letters from wives and parents of servicemen describing the great hardships that are resulting from the pittance now allowed many needy cases.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. STEWART. I remember when the Senator made his proposal, but the amount of increase provided for is not in my mind.

Mr. MORSE. At that particular time I suggested that in order to show our good faith in the matter we propose a token increase of \$25 per month, with the understanding that we would take the matter under advisement and investigation and determine how much more ought to be allowed in order to give these men a fair day's pay for a fair day's work which they are performing for the people of the United States while serving in the Army during the postwar period.

Mr. STEWART. That would be a total of about \$75 a month for the average GI?

Mr. MORSE. Plus the subsistence allowances he receives.

Mr. STEWART. That means the base pay. The base pay today is \$50.

Mr. MORSE. It would be \$75 under my proposed amendment.

Mr. STEWART. Did the Senator ask for an increase in subsistence pay for the family of the GI?

Mr. MORSE. Not in that particular amendment, although the RECORD will show that I spoke in behalf of the need of such a thing being done in connection with the study which I proposed with regard to the whole question of servicemen's pay.

Mr. STEWART. The Senator's amendment refers to new enlistees, or those who would remain in the Regular Army.

Mr. MORSE. That is correct.

Mr. STEWART. Does the Senator contemplate the payment of more money to those who would serve overseas during the period of occupation than to those who would serve in this country during that time?

Mr. MORSE. I am satisfied that the committee which would investigate the matter would find upon a careful analysis of the facts that it should bring back just such a recommendation—that there should be an extra increase in pay for the man himself while serving overseas.

Mr. STEWART. In the main I am inclined to be in sympathy with the Senator's amendment. I think we ought to do all we can to encourage volunteers in this particular period. The more we do along that line the nearer we can come to settling the problem of further drafting of young boys.

Mr. MORSE. The reason I make any comment at all on the subject today is that the same argument was made at the time I offered my amendment for increasing soldiers' pay that is usually made in the Congress of the United States when the Congress wishes to do something inadequate as of the moment, and yet put off final determination of the merits of the basic issue involved in a proposal until a later date. The usual argument was made that the subject ought to be taken under consideration, and that more time ought to be devoted to it than could be devoted by the Senate on the day when I proposed the amendment for the immediate consideration of this body.

Such inquiry as I have been able to make leads me to make the statement that nothing has been done by any committee of the Senate since the matter was under discussion, and I am satisfied that nothing will be done until we begin, by such procedure as I am starting to adopt this afternoon, to arouse the people of the country to the fact that their Congress is not doing anything so far as making an investigation of Army pay rates is concerned. I submit that the Congress should be conducting a careful investigation regarding adequate pay for the men in the armed services, and in regard to giving a decent allotment to the families of those men, who at the present time, in large numbers, are suffering unnecessary and un-



Justifiable hardship because the Government of the United States is not awarding them decent allotments so that they can maintain themselves in self-respect and decency while the male members of their families are serving in the uniform of the United States.

My mail shows—as does the editorial which I shall ask permission to have printed in the RECORD as a part of my remarks—that men in the armed forces are perfectly aware of the injustice which they and their families are suffering in regard to Army pay.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "Higher Pay and Allotments for Service Men," published in the Stars and Stripes, mid-Pacific edition, of November 12, 1945.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### HIGHER PAY AND ALLOTMENTS FOR SERVICEMEN

There has been much talk recently of raising the wages of mainland civilian workers in order that take-home pay may be held at something approaching wartime levels.

The Stars and Stripes suggests that any such wage increases be accompanied by reasonable increases in servicemen's pay and dependency allotments.

The United Automobile Workers Union has asked a 30-percent boost in basic wage rates.

Henry Ford II, president of the Ford Motor Co., may agree to a 15-percent increase for Ford workers.

Secretary of Commerce Wallace has suggested a 15-percent increase in wages and around a 10-percent increase in manufactured-goods prices.

The higher wages, it is argued, are to come out of increased production efficiency, business savings due to lower taxes, and higher prices.

The Stars and Stripes does not wish to enter the dispute over whether or not the wage increases can be justified. That is a matter to be settled by genuine collective bargaining between unions and management, with impartial assistance from Government.

But the Stars and Stripes does wish to make the point that if wages of civilian workers are to go up—10, 20, 30 percent—and if prices are to go up as well, then the serviceman's pay and his dependency allotment should be raised correspondingly.

If, in the national economic picture, civilian wage increases, with accompanying price rises, can be justified, then surely a similar increase in the soldier's, sailor's, and marine's pay is no more than fair.

To be sure, the serviceman has no union to bargain for him, and rightly so. But, if Army and Navy careers, whether for a lifetime or only a year, are to be made as attractive as civilian jobs, and especially if voluntary enlistments are to amount to much, someone must see to it that the financial rewards of the man who chooses to remain in the service, of his country keep pace with what he might be making as a civilian. The waiving of income tax on wartime service of EM is merely a step in the right direction.

Dependents of servicemen have to pay for food, housing, clothing, transportation, and recreation in the same markets as other civilians, the price level, if it goes up, will affect everybody at home, not just those who get the higher wages.

The Stars and Stripes has no intention of driving a wedge between civilian wage earners and servicemen and their dependents. That

would be foolish because most servicemen are wage earners at heart and want nothing so much as to get back into overalls.

We are merely putting in a bid for readjustments in servicemen's pay and dependency allotments commensurate with any widespread increase in civilian wage rates.

Mr. MORSE. Mr. President, I take this occasion to say that it is my judgment that servicemen are not going to get justice on this issue until they start to make their demands upon the Congress understood by language as to which there can be no misunderstanding.

#### EXECUTIVE SESSION

Mr. HAYDEN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate a message from the President of the United States submitting the nominations of sundry postmasters which was referred to the Committee on Post Offices and Post Roads.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Wallace S. Gourley, of Pennsylvania, to be United States district judge for the western district of Pennsylvania;

William McClanahan, of Tennessee, to be United States attorney for the western district of Tennessee; and

John P. Logan, of Oklahoma, to be United States marshal for the northern district of Oklahoma.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:  
Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the executive calendar.

#### FEDERAL TRADE COMMISSION

The legislative clerk read the nomination of Robert E. Freer to be Federal Trade Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HAYDEN. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. HAYDEN. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

#### RECESS

Mr. HAYDEN. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 29 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, November 20, 1945, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate November 19 (legislative day of October 29), 1945:

#### POSTMASTERS

The following-named persons to be postmasters:

#### CALIFORNIA

Alice Y. Brown, Hercules, Calif. Office became Presidential July 1, 1943.

Mildred H. Moran, Spring Valley, Calif., in place of R. P. Wilson, resigned.

#### IOWA

Leadayle I. Brayton, Somers, Iowa, in place of H. W. Hesser, removed.

#### KENTUCKY

Ida Sanders, Dorton, Ky. Office became Presidential July 1, 1945.

Bessie De P. Givens, Dunmor, Ky. Office became Presidential July 1, 1945.

Conda L. Gurley, Insull, Ky. Office became Presidential July 1, 1945.

#### LOUISIANA

Kathryne S. Doggett, Blanchard, La. Office became Presidential July 1, 1945.

Bettye R. Kemp, Ethel, La. Office became Presidential July 1, 1945.

Audrey N. Evans, Jamestown, La. Office became Presidential July 1, 1945.

John L. Richard, St. Gabriel, La. Office became Presidential July 1, 1945.

#### MICHIGAN

Paul E. Teifer, Trenton, Mich., in place of E. N. Moroney, removed.

#### MINNESOTA

Donald Krey Grant, Wyoming, Minn., in place of W. D. Banta, transferred.

#### NEW JERSEY

Josephine Agnes Washkewicz, Hainesport, N. J. Office became Presidential July 1, 1945.

#### NORTH CAROLINA

A. Eloise Maness, Star, N. C., in place of T. L. Maness, deceased.

#### NORTH DAKOTA

William A. Gamble, Edgeley, N. Dak., in place of W. E. Ravely, resigned.

Josephine McLaughlin, Sanish, N. Dak., in place of H. H. Bugge, transferred.

John Wiedmann, Venturia, N. Dak. Office became Presidential July 1, 1945.

#### OREGON

Weldon C. Keller, Vida, Oreg. Office became Presidential July 1, 1945.

#### PENNSYLVANIA

Ethel E. Morris, Modena, Pa., in place of C. L. Wagner, resigned.

#### PUERTO RICO

Silvestre G. Gonzalez, Lares, P. R., in place of Ricardo Mendez, Jr., resigned.

#### SOUTH DAKOTA

Myron J. Cannon, Hermosa, S. Dak. Office became Presidential July 1, 1945.

#### TEXAS

Walter L. Wiseman, La Vernia, Tex. Office became Presidential July 1, 1943.

James B. Pitman, Muldoon, Tex. Office became Presidential July 1, 1945.

79TH CONGRESS  
1ST SESSION

# H. R. 4407

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, OCTOBER 29), 1945

Ordered to lie on the table and to be printed

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## AMENDMENT

Intended to be proposed by Mr. WALSH to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, viz:

- 1 On page 28, line 12, insert the following: "*Provided*
- 2 *further*, That of the funds remaining available for advance
- 3 base construction, material, and equipment, not to exceed
- 4 \$6,000,000 shall be available toward reconstruction of the
- 5 civilian economy of Guam".



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## AMENDMENT

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Intended to be proposed by Mr. WALSH to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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NOVEMBER 19 (legislative day, OCTOBER 29), 1945

Ordered to lie on the table and to be printed







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 21, 1945, for actions of Tuesday, November 20, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed appropriation rescission bill; Emergency Rubber Project item unchanged. Sen. Butler inserted his explanatory statement on Government-corporation bill. House received conference report on bill to discontinue land-grant freight-rates; veterans'-farm-purchase program deleted. House conferees appointed on Government reorganization bill. Sen. Johnston inserted Secretary Anderson's address on cotton. House passed bill to provide exemptions and privileges to international organizations.

SENATE

1. APPROPRIATION RESCISSION. Passed with amendments this bill, H.R.4407 (pp. 11003-22). Agreed to all committee amendments but rejected Sen. Barkley's (Ky.) amendment to keep employment offices under Federal control until June 30, 1946 (by a 31-35 vote)(pp. 11005-10). (For provisions of interest see Digest 201.)  
Sens. McKellar, Glass, Hayden, Tydings, Russell, Overton, Brooks, Bridges, Gurney, and Ball were appointed conferees (p. 11022). House conferees not yet appointed.
2. GOVERNMENT CORPORATIONS. Sen. Butler, Nebr., inserted his statement relative to H.R.3660, the bill providing for financial control of Government corporations, in which he included correspondence and a summary by sections (pp. 11025-9).
3. WOOL INVESTIGATION. Sen. Robertson, Wyo., was appointed to the Special Committee to Investigate the production, Transportation, and Marketing of wool (p.11001).
4. COTTON STATISTICS. Received from this Department proposed legislation on the collection and publication of statistics of the grade and staple length of cotton. To Agriculture and Forestry Committee. (pp. 11001-2.)
5. HEALTH LEGISLATION. Sen. Wagner, N.Y., inserted a Physicians' Forum of N.Y. letter commending S. 1606, to provide for a national health program (p. 11002).
6. MINERALS. The Mines and Mining Committee reported without amendment S.1483, providing for the suspension of annual assesment work on mining claims held by location in the U.S., including Alaska (S.Rept. 754)(p. 11002).
7. PHILIPPINES. Territories and Insular Affairs Committee reported without amendment S.1610, to provide for the rehabilitation of the Philippines(S.Rept.755)(p.1102).



8. CONTRACT SETTLEMENT. Sen. O'Mahoney, Wyo., inserted a summary of the 5th Quarterly Report of the Office of Contract Settlement on contract terminations (p. 11022).
9. NOMINATIONS. The Banking and Currency Committee reported favorably on the nominations of Herbert E. Gaston and William McChesney to be members of the Export Import Bank Board of Directors (p. 11034).
10. ADJOURNED until Fri., Nov. 23 (p. 11034).

#### HOUSE

11. TRANSPORTATION; LAND-GRANT FREIGHT-RATES. Received the second conference report on H. R. 694, to discontinue land-grant freight-rates. The provision establishing a veterans' farm-purchase program was deleted. (p. 11043.)  
Rep. Rankin, Miss., urged more provision for veterans' farm loans (p. 11040).
12. GOVERNMENT REORGANIZATION. Reps. Manasco, Cochran, Whittington, Hoffman, and Bender were appointed conferees on H.R. 4129, the reorganization bill (p. 11043). Senate conferees not yet appointed.
13. HEALTH. The President (in his message requesting legislation for adoption of a national health program) urged more even distribution of medical aid, stating that "the number in our rural areas has been diminishing"; development of public health services to improve the national health in urban and rural areas and to prevent water pollution; expansion of medical research and professional education as exemplified by development of penicillin, DDT powder, and rehabilitation techniques; access to medical care by low-income groups; and maintenance of income during sickness (H. Doc. 380).  
Rep. Knutson, Minn., criticized expenditures with respect to pending health programs (p. 11044).
14. INTERNATIONAL ORGANIZATIONS. Passed without amendment H.R. 4489, to extend certain exemptions and privileges to international organizations (pp. 11040-3).
15. WAR POWERS. The Judiciary Committee reported with amendment H.R. 4571, to amend the First War Powers Act with respect to property held by the Alien Property Custodian (H.Rept. 1269) (p. 11049).
16. FOREIGN RELIEF. Received a Pa. Presbyterian Church resolution urging Congress to support UNRRA and "whatever rationing is necessary to feed the hungry people of Europe" (p. 11050).
17. VETERINARIANS; VETERANS. Rep. Traynor, Del., urged release from the armed services of veterinarians, physicians, and dentists as the "first move in a health program" and referred particularly to his bill H.R. 4425, which would provide for the release of such servicemen (p. 11037).

#### BILLS INTRODUCED

18. HOUSING. H. R. 4761, by Rep. Patman, Tex., to amend the National Housing Act by adding thereto a new title relating to the prevention of housing speculation. To Banking and Currency Committee. (p. 11049.)
19. VETERANS. H.R. 4578.



By Mr. O'MAHONEY:

S. 1611. A bill authorizing the erection of a monument to Sacajawea; to the Committee on Indian Affairs.

By Mr. MITCHELL (for himself, Mr. FULBRIGHT, Mr. CORDON, and Mr. MORSE):

S. 1612. A bill to amend the act of January 22, 1932, as amended (47 Stat. 5), to authorize and direct the Reconstruction Finance Corporation to purchase aluminum for stockpiling purposes; to the Committee on Banking and Currency.

By Mr. TYDINGS:

S. 1613. A bill extending certain recognition and rights to members of the Voluntary Port Security Forces and members of the Coast Guard Auxiliary who were enrolled as temporary members of the United States Coast Guard Reserve; to the Committee on Naval Affairs.

#### FUNERAL EXPENSES OF THE LATE SENATOR THOMAS OF IDAHO

Mr. TAYLOR submitted the following resolution (S. Res. 193), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore of the Senate in arranging for and attending the funeral of Hon. John Thomas, late a Senator from the State of Idaho, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. LUCAS subsequently said: Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I ask unanimous consent to report favorably without amendment Senate Resolution 193, submitted today by the Senator from Idaho [Mr. TAYLOR], providing for payment of funeral expenses of the late Senator John Thomas, of Idaho, who recently passed away, and I request unanimous consent for the present consideration of the resolution.

There being no objection, the resolution (S. Res. 193) was considered by unanimous consent, and agreed to.

#### WHAT'S WRONG WITH CONGRESS?— ARTICLE BY SENATOR BRIDGES

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article entitled "What's Wrong With Congress?" written by Senator BRIDGES and published in the October issue of Pageant magazine, which appears in the Appendix.]

#### ADDRESS BY SENATOR TUNNELL BEFORE CONFERENCE ON ATOMIC POWER AND PUBLIC POLICY

[Mr. HATCH asked and obtained leave to have printed in the RECORD an address delivered by Senator TUNNELL before the conference on atomic power and public policy held in New York City, on November 17, 1945, which appears in the Appendix.]

#### ABOLITION OF THE POLL TAX—AD- DRESSES BY SENATORS GUFFEY AND ELLENDER

[Mr. HATCH asked and obtained leave to have printed in the RECORD radio addresses delivered by Senators GUFFEY and ELLENDER on November 19, 1945, on the subject of abolition of the poll tax, which appear in the Appendix.]

#### RELATIONS BETWEEN AMERICA AND RUSSIA—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Can America and Russia Stay Friends?" written by Senator THOMAS of Utah and published in the November 1945 issue of Pageant magazine which appears in the Appendix.]

#### ADDRESS BY SECRETARY OF AGRICUL- TURE TO SOUTHEASTERN AGRICUL- TURAL CONFERENCE

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an address delivered by the Secretary of Agriculture in Anderson, S. C., to the Southeastern Agricultural Conference, which appears in the Appendix.]

#### SURPLUS PROPERTY DISPOSAL AS IT RE- LATES TO VETERANS—LETTER FROM SURPLUS PROPERTY ADMINISTRATOR

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a letter dated November 9, 1945, from Stuart Symington, Surplus Property Administrator, which appears in the Appendix.]

#### UNIVERSAL MILITARY TRAINING—STATE- MENT BY DEANE W. MALOTT

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement on universal military training, by Deane W. Malott, chancellor of the University of Kansas, which appears in the Appendix.]

#### CONTINUATION OF EMPLOYMENT SER- VICE UNDER FEDERAL GOVERNMENT

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a statement prepared by the International Association of Public Employment Services setting forth reasons why the Employment Service should continue as a Federal service, which appears in the Appendix.]

#### GALLUP POLL ON MILITARY TRAINING

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD the Gallup poll on the subject of peacetime military training, which will appear hereafter in the Appendix.]

#### FIRST SUPPLEMENTAL SURPLUS APPRO- PRIATION RESCISSION ACT, 1946

The Senate resumed the consideration of the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President, independent offices, and executive departments," on page 2, line 7, after the word "expenses", to strike out "\$5,226,461" and insert "\$3,437,042."

The amendment was agreed to.

Mr. WHITE. Mr. President, before we proceed further with the committee amendments, may we not have a general statement concerning the bill?

Mr. McKELLAR. I shall be very glad to make one.

Mr. WHITE. There are two things in particular in my mind that I should like to have brought out.

Mr. McKELLAR. Of course this is an appropriation rescission bill. We have appropriated very large sums for the en-

tire year for the war. The war ended a short time ago, and recommendations have been made by the President to cancel a great many appropriations. That is the main purpose of the bill.

I will ask the Senator from Maine what were the specific things he wanted to have brought out?

Mr. WHITE. The bill seeks, as it is framed perhaps, to repeal appropriations heretofore made.

Mr. McKELLAR. Not to repeal appropriations, but to reduce the amounts in very substantial sums.

Mr. WHITE. I think the total sum is approximately \$51,000,000,000.

Mr. McKELLAR. The total amount as reported to the Senate is \$51,244,680,213.

Mr. WHITE. That is the amount, then, by which appropriations heretofore made are to be reduced?

Mr. McKELLAR. Some of them are canceled, but in most instances they are reduced.

Mr. WHITE. Can the Senator tell us what amounts are still left available to the various agencies and departments of the Government?

Mr. McKELLAR. Yes; they are shown in the report. I will give them in a moment.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. REVERCOMB. What is the total amount of the reductions for 1946?

Mr. McKELLAR. Will the Senator repeat the question?

Mr. REVERCOMB. What is the total amount of the reductions contained in this bill?

Mr. McKELLAR. The total amount of reductions reported by the committee is \$51,244,680,213.

Mr. REVERCOMB. May I ask the able Senator whether that reduction will be reflected in the tax bill for next year?

Mr. McKELLAR. I do not know. The Senator will have to ask that question of Senators who are members of the Finance Committee. I see one to my left, the chairman of the committee, the Senator from Georgia [Mr. GEORGE], and a very active member in front of me, the Senator from Ohio [Mr. TAFT]. They can tell more about that than I can. I am not a member of that committee. But I will say that the cancellation of \$51,000,000,000 which has been appropriated ought to make a very important difference in our financial condition in that there will not be spent the \$51,000,000,000 which otherwise would probably be spent if it were not canceled.

Mr. REVERCOMB. Then it certainly ought to be reflected in a reduction in the taxes in the next tax bill Congress will be called upon to pass.

Mr. McKELLAR. As I understand, the tax bill already enacted reduces taxes very considerably. I do not recall the exact figures.

Mr. GEORGE rose.

Mr. McKELLAR. I yield to the Senator from Georgia for the purpose of answering the question.

Mr. REVERCOMB. Does the Senator refer to the tax bill of this year, the one Congress recently passed?

Mr. McKELLAR. Yes.



Mr. REVERCOMB. I am inquiring if the cancellation by the pending bill of great appropriations will be reflected in reduction in taxes for 1946?

Mr. McKELLAR. I yield to the Senator from Georgia to answer that question.

Mr. GEORGE. I was about to say, Mr. President, that the reductions or cut-backs made in prior appropriations will not be reflected in the tax bill for the simple reason that we will still have a deficit, even after these reductions are made, so that the budget will still show a deficit for 1946-47. The most optimistic hope expressed anywhere I think is that by 1948 we may have a balanced budget, and then there should be further reduction in taxes.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. TAFT. I think I might say that, so far as the Finance Committee estimates are concerned, they are based on Budget expenditures, and we have never, since Congress came back this fall, expected to spend the \$51,000,000,000. It has never been counted in any estimates; and by rescinding the appropriations we do not in any way reduce the estimates of expenditure for the fiscal year 1946 or the estimates of expenditures for the fiscal year 1947.

I may say further that if the President's recommendation of a health program or an insurance program, which was submitted yesterday, is adopted there will be no further tax reductions under any circumstances, because that would cost at least three or four billion dollars a year out of the General Treasury in addition to the pay-roll taxes.

Mr. McKELLAR. Mr. President, the Senator from Maine asked for the amounts which are left in the various appropriations, and I am very happy to give the figures.

The various executive agencies will have left \$12,387,845,048.

The Military Establishment will have left \$23,884,693,366, which, as can be easily seen, is quite a tidy sum.

The Naval Establishment will have left \$56,941,859,984.

So that the appropriations are still quite large, and necessarily so. The figures are for the whole fiscal year.

Mr. WHITE. Can the Senator give the total of the figures he just recited?

Mr. McKELLAR. They total \$94,000,000,000. We have canceled \$51,000,000,000 of the appropriations, and this is November, and there will be another rescission bill later on, as I understand.

Mr. President, if there are no further questions, I ask that the bill be read for committee amendments.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BILBO. While the Senator is speaking of reductions, I should like to ask for an explanation of the item on page 30, line 19, Naval Training Station. For 1944 the amount is \$54,000 and for 1945 it is \$600,000. Why is there such an increase?

Mr. McKELLAR. That is not an increase at all. This is a cancellation. For the naval training station at Lake Pend

Oreille, Idaho, for the fiscal year 1944 there had been unexpended the sum of \$54,790; and for the fiscal year 1945, \$604,708. We save that much in those 2 years.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 2, in line 10, after the word "to", to strike out "\$150,000" and insert "\$190,000"; in line 12, after the word "to", to strike out "\$40,000" and insert "\$50,000"; and in line 14, after the word "to", to strike out "\$25,000" and insert "\$100,000."

The amendment was agreed to.

The next amendment was, on page 3, line 14, after the word "expenses"; to strike out "\$10,662,558" and insert "\$5,662,558"; in line 19, after the word "to", to strike out "\$25,000" and insert "\$30,000"; in line 20, after the word "to", strike out "\$230,000" and insert "\$240,000"; in line 22, after the word "to", to strike out "\$550,000" and insert "\$600,000"; and in line 24, after the word "to", to strike out "\$40,000" and insert "\$50,000."

The amendment was agreed to.

The next amendment was, on page 5, line 9, after the word "expenses", to strike out "\$11,500,000" and insert "\$9,500,000"; in line 13, before the word "and", to strike out "\$2,000,000" and insert "\$3,000,000"; and in line 15, after the word "to", to strike out "\$1,750,000" and insert "\$2,750,000."

The amendment was agreed to.

The next amendment was, on page 5, line 23, after the word "Management", to strike out "\$447,886,225" and insert "\$439,096,806."

The amendment was agreed to.

The next amendment was, under the heading "Independent Offices", on page 7, after line 17, to strike out:

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$930,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 14, to strike out:

#### SOCIAL SECURITY BOARD

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1946, for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith, as authorized in title III of the Social Security Act, approved August 14, 1935, as amended, \$30,000,000, which shall be in addition to the amounts appropriated for such purposes in title II of the Labor Federal Security Appropriation Act, 1946.

The amendment was agreed to.

The next amendment was, under the subhead "National Housing Agency," on page 11, line 3, after the words "independent offices", to strike out "\$666,505,849" and insert "\$665,575,849."

The amendment was agreed to.

The next amendment was, under the heading "Executive departments (non-war), Department of Agriculture," on page 11, after line 6, to strike out:

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to

the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

And in lieu thereof to insert the following:

Emergency rubber project, \$1,649,790, and the balance remaining shall be used under the direction of the Secretary of Agriculture to liquidate such project in an orderly manner immediately on the passage of this act, including selling the two mills as individual units and disposal of each lease by sale or by contractual arrangement; and for field and laboratory research on the various phases of guayule and retaining all needed property and equipment to carry out this purpose.

The amendment was agreed to.

The next amendment was, under the subhead "Department of the Interior," on page 13, after line 15, to strike out:

Office of the Secretary: Salaries and expenses, Division of Geography, \$20,000.

The amendment was agreed to.

The next amendment was, on page 13, after line 17, to strike out:

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$5,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Department of Justice," on page 15, line 6, after "crimes (emergency)", to strike out "\$2,480,000" and insert "\$1,240,000."

The amendment was agreed to.

The next amendment was, under the subhead "Department of Labor," on page 15, after line 19, to strike out:

Employment office facilities and services: The unexpended and unobligated balances, on the thirtieth day after the date of the enactment of this act, of appropriations, excluding the appropriation of \$7,791,134 to carry into effect the provisions of section 602 of title IV of the Servicemen's Readjustment Act of 1944, Public Law 346, Seventy-eighth Congress, made in the first paragraph under the heading "Employment office facilities and services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall, on such thirtieth day, be carried to the surplus fund and covered into the Treasury.

And in lieu thereof to insert the following:

Employment Office Facilities and Services: The appropriations made in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, shall be available, in addition to the objects which are specified in the first paragraph under the heading "Employment Office Facilities and Services" in title VII of the Labor-Federal Security Appropriation Act, 1946, for grants to States to finance the total costs of administration of State-wide systems of public employment offices, in accordance with standards and regulations prescribed by the Secretary of Labor as necessary to carry out the purposes of the act of Congress approved June 6, 1933, as amended (excluding sec. 5 thereof): *Provided*, That the Secretary of Labor shall make such grants through the Social Security Board and in accordance with the procedures applicable to grants under title III of the Social Security Act, as amended, and shall, in connection therewith, certify to the Social Security Board the amounts of such grants for each State; and upon such certification the Social Security Board shall certify such amount to



the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriations herein made available for such grants: *Provided*, That such portion of such appropriations as may be necessary shall be available to the United States Employment Service for all necessary expenses, including personal services incurred in connection with the operation of employment office facilities and services in the District of Columbia: *Provided further*, That no portion of such appropriations shall be made available to a State unless the State (1) has made provision for the transfer to and retention in the State-wide system of public employment offices of employees of the Federal Government who had been employed in State and local employment service functions in such State, in the positions occupied by them under the Federal service or in reasonably comparable positions except that individuals so transferred may be separated or terminated for good cause, as determined in individual cases under the applicable State merit system, or separated or terminated by reason of reductions in force found necessary in the interests of efficient operations, and may be separated after they have been given a reasonable opportunity to acquire eligibility for continued employment in the State-wide system of public employment offices under the State merit system in the positions occupied by them under the Federal service or in reasonably comparable positions or (2) has requested the detail of such employees to the State agency under the following proviso: *Provided further*, That so much of such appropriations as may be necessary shall be available, in lieu of any portion of the grant to the State, for the payment of compensation (under the salary scales applicable to such employees prior to the enactment of this act) to employees of the United States Employment Service in the Department of Labor, who, upon the request of the State, and for the purpose of permitting continuity in their employment pending an opportunity to qualify for State employment in accordance with this paragraph, may be detailed by the Secretary of Labor to the State agency for service in the State-wide system of public employment offices: *Provided further*, That if, after reasonable notice and opportunity for hearing (which may be a joint hearing with the Social Security Board under title III of the Social Security Act, as amended) to the State agency, the Secretary of Labor or his representative determines, and so certifies to the Social Security Board, that the State has failed substantially to comply with the provisions required by this paragraph or with standards and regulations prescribed to carry out the purposes of the act of Congress approved June 6, 1933, as amended, the Secretary of Labor, in lieu of making the grant to the State for such purpose, may maintain in such State a State-wide system of public employment offices until the Secretary is satisfied that there will no longer be any such failure to comply.

On the earliest practicable date in the case of each State, but in no case later than the one hundred and twentieth day after the date of enactment of this act, the Secretary of Labor shall transfer to the State agency in each State designated under section 4 of the act of Congress approved June 6, 1933, as amended, as the agency to cooperate with the United States Employment Service under said act, the operation of State and local public employment office facilities in such State, and in connection therewith the Secretary of Labor shall provide for the return to such State of the employment office facilities and properties transferred by such State to the Federal Government in 1942

to promote the national war effort and may also provide for the transfer and assignment to such State, without reimbursement therefor, of all other public employment office facilities and properties including records, files, and office equipment which are located in such State: *Provided*, That as a condition to such transfer and assignment of Federal properties the Secretary may require the recipient State to waive any claim which may then exist or thereafter arise out of the use made by the Federal Government of, or for the loss of or damage to, property and facilities transferred by the State to the Federal Government in 1942.

**Mr. BARKLEY.** Mr. President, this is the amendment covering pages 16 to 20, involving the United States Employment Service.

**Mr. McKELLAR.** It involves the return of the Employment Services to the States.

**Mr. BARKLEY.** I offer an amendment on page 19, line 12, after the word "than", to strike out the remainder of that line and all of line 13, and insert in lieu thereof "June 30, 1946", so as to read:

On the earliest practicable date in the case of each State, but in no case later than June 30, 1946, the Secretary of Labor shall transfer to the State agency—

And so forth.

**Mr. McKELLAR.** Mr. President, this question was the subject of controversy in the committee. I offered a similar amendment in the committee, and it was rejected by a small margin. So far as I am concerned, I am perfectly willing to take the amendment to conference. However, I believe that the Senator from Minnesota [Mr. BALL] feels that it ought not to be adopted.

**Mr. BALL.** Mr. President, I was out of the Chamber for a few moments. Has the Senator from Kentucky offered an amendment?

**Mr. BARKLEY.** Yes. I offered an amendment on page 19, line 12, to strike out the language "the one hundred and twentieth day after the enactment of this act" and substitute "not later than June 30, 1946", so as to read:

On the earliest practicable date in the case of each State, but in no case later than June 30, 1946, the Secretary of Labor shall transfer to the State agency—

And so forth. I wish to make a very brief statement in support of my amendment. As we all know, the President, in a message to Congress and in communications to both Houses, has urged that the United States Employment Service be not returned to the States immediately. He has called our attention to the national problem which confronts our Government with reference to unemployment, and in my judgment he has properly emphasized, at least during the period of reconversion, the national obligation growing out of possible widespread unemployment. We all know that this situation grows out of the postwar period. It grows out of the wide dispersion throughout the country of employees in war plants, and it grows out of the very natural inclination of people involved in possible unemployment to look to the Government of the United States, under whose program this situation has been or may be created, to find jobs for them. In my judgment, the President has wisely suggested that

the United States Employment Service be retained for a short period. He has not advocated, and does not now advocate, that the United States Employment Service be kept permanently as an agency of the United States Government, although there are many who feel that there ought to be such a permanent service. I am one of them. But that has nothing to do with the return to the States of the United States Employment Service which is now in existence and which was taken over by the Federal Government as a result of the war. The President has urged that a little more time be given to enable this agency to help work out the problem of employment; and it is a well known fact that, regardless of the number of men now unemployed or the number who may be unemployed within the next few months, the vast majority of them are applying to the United States Employment Service to help them secure positions. There is bound to be a hiatus, whether brief or extended, between the return of the Service to the States and the ability of the States to deal adequately with the problem. There may be a change in personnel, and there likely will be, when it becomes a wholly State-operated institution. During that readjustment of personnel there is bound to be, as I see it, a lag in the efficiency of the Service.

The bill which the committee has reported provides that the Employment Service shall be returned not later than 4 months from the date of the enactment of this appropriation bill. Of course, that leaves the date indefinite. If we may assume that the bill will be enacted on the first day of December, then on the first day of April—4 months thereafter—the Service would be returned to the States. My amendment would extend the period to June 30—through April, May, and June—a period 3 months longer. In view of the possibly chaotic conditions growing out of unemployment and the lag in the efficiency of the Service at a given time when it is returned to the States, it seems to me that 3 months more, by way of an extension of the period beyond which the United States Employment Service will not be extended, is a wise provision.

So I hope the Senate will agree to adopt the amendment and will let the extension go to the definite date of June 30, which is the end of the fiscal year, and at which time all appropriations terminate.

**Mr. President,** in this connection I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, a brief résumé of the situation to which I have referred.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

The proposal to return the USES to the States in the very near future seems to me to be extremely ill-considered. Instead of building a foundation for reconversion, we are tearing away one of the few stones that were in place, thanks to the foresight of President Roosevelt, who federalized the Employment Service at the outbreak of war, who provided the means of getting the mobilization job done on a completely voluntary basis, and who inspired the Employ-



ment Service to achievements which no other nation who fought in this war can match.

A declaration to return the USES to the States at this time is a declaration that the unemployment problem is not and will not be a serious one—that the 6,000,000 or more veterans who will be discharged in the next 6 months need no assistance in locating a suitable job. I cannot share any such feelings of optimism. The problems connected with the reconversion of human beings are much too grave to be dismissed so lightly. I firmly believe that the veteran and the displaced war worker will need the counsel and assistance of a trained staff of USES personnel who, through their loyalty and eagerness to do a public service, have done a magnificent job. It would be disastrous, in my estimation, to disrupt this service at this time on some vague hope that 48 States will be able to carry on with the same high standards of efficiency and endeavor as we have today under the federally operated USES.

The Senate recently went on record, despite the lack of clarity of the issues involved, as favoring a return of the USES to the States in the very near future. This ran directly counter to the specific request made by the President of the United States in his recent reconversion message to the Congress that the USES should remain under Federal operations until June 30, 1947, or earlier, if feasible. The President did not maintain that the USES should continue indefinitely to be operated as a Federal organization. He emphatically declared, on the other hand, that we were beginning a very critical period and that in order to be prepared for a worsening situation, the USES, which has always been operated federally during periods of crises, should remain federally operated until we ride out this one. This seems to me to be a perfectly reasonable request unless we are willing to take issue with the President's appraisal of the seriousness of the situation. I repeat that the problem of the veteran is not one of the future but rather is one with us today. The release of veterans last month and this month is far ahead of schedule and is likely to continue at a rate at least 50 percent higher than anticipated. Veterans are jamming the Employment Service offices all over the country. The staffs of these offices are being overwhelmed by the volume of requests for assistance in finding jobs and obtaining counseling. If we want to assure complete breakdown in these services and facilities we can do it in no better way than to return the Employment Service to the States under the terms of this compromise. The issue is so clear that the Congress will alone have to bear the discredit for the weakening at this time of the Employment Service, since President Truman has repeatedly asked that it remain under Federal operation until June 30, 1947. I hope the Senate will refuse to accept this compromise measure.

Mr. McKELLAR. Mr. President, as I recall, the amendment proposed by the Senator from Kentucky is exactly the same—or, if not, substantially the same—as one I offered in the committee. I offered such an amendment there, and it was voted down by a vote of 9 to 7. My amendment proposed that the date June 30 be adopted. I wish to call the attention of the Senate to the language of the amendment:

On the earliest practicable date in the case of each State, but in no case later than June 30, 1946—

If the amendment is agreed to—  
the Secretary of Labor shall transfer to the State agency in each State designated under section 4 of the act of Congress approved June 6, 1933, as amended—

And so on. In other words, the question is, Shall there be that length of time

within which the transfer shall be made to each one of the 48 States. In the committee it was argued, on the other side, that the Government took over the Service almost at once. I have forgotten the various statements which were made. Some were that it was 10 days, others that it was 2 days, others that it was 2 hours, and so on.

Mr. REED. Mr. President, if the Senator will permit me to interrupt, it was taken over in 11 days.

Mr. McKELLAR. Very well, 11 days. Various statements were made as to exactly how long it took. Some persons said it was done immediately; others said it was done in 2 days; others said it was done in 11 days, as I recall.

Mr. President, there is a great deal of difference between having the Government take over the service and having the Government put it back in the hands of the various States. In the States various laws governing unemployment have been passed since the time when the service was taken over, so we have learned, and in the case of some States the resumption of operation of the service by the State will take longer than in the case of other States.

I wish to say that I am in favor of returning the service to the States. I disagree with my friend the Senator from Kentucky [Mr. BARKLEY]. I do not think the Federal Government should handle this matter. I think it should be handled by the States.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I did not say I think the Federal Government should handle this service. I said I think there should be a permanent agency of the Federal Government interested in employment. By that I do not mean that the States should be deprived of their jurisdiction, but I mean there should be a Federal agency interested in coordinating with the States in seeking employment for persons who are out of work.

Mr. McKELLAR. I am happy to have the Senator's explanation and to know that he does not mean that the United States Government should handle the actual affairs of this organization.

Mr. BARKLEY. I did not have in mind that the Federal Government should deprive the States of or should do anything to discourage them in carrying on these functions; but, in my judgment, inasmuch as the problem is an over-all one and a national one, as we have recognized before, in enacting legislation to take care of it as such there should be an agency of the Federal Government to cooperate and coordinate with all the efforts in the States in securing the greatest possible opportunities for employment for the people of the country.

Mr. McKELLAR. That is a matter about which I am not so sure; but, of course, I understand the Senator, and I am glad he did not say what I thought he said in the beginning.

I think the service should be transferred to the States. I was never more certain about anything in my life. But I think there should be a reasonable time within which to do it in an orderly and a proper way. The Government is putting up half the money, and there is no

reason in the world why the Government should not take its time in this matter. I see no reason for making June 30, 1946, the last day on which the organization could be returned to the States. The provision is that it shall be returned to the States as rapidly as possible. With that I am in hearty accord. But if some State were unable to take it over by May 1 and if we had previously declared that it should be taken over by that date, obviously we would have made an unwise provision.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BALL. I think the Senator will recall that the language of the amendment inserted by the Senate meets that contingency by specifically providing that where a State cannot make arrangements to take over this service and to put the employees on the State pay roll they may be retained on the Federal pay roll and may be loaned by the Secretary of Labor to the States.

Mr. McKELLAR. Personally, I think that is a very unwise provision. The loaning of Federal Government employees to a State or the loaning of employees by one department to another department of the Government has never met with my approval. I think there should be employees for each department; and in the case of the Employment Service, if a State has control of it, I think the State should pay for it. That is my own judgment.

Mr. BALL. Mr. President, will the Senator further yield to me?

Mr. McKELLAR. I yield.

Mr. BALL. That particular provision was recommended by the Secretary of Labor in order to meet the possibility that some States whose legislatures are not scheduled in the near future might, because of their laws, be unable to hire the Federal employees or might have difficulty in doing so. Actually, it is presumed that approximately 44 of the States will have no difficulty at all in transferring the Federal employees to the State pay rolls, in the case of employees hired by the Federal Government since it took over the system. But this provision was an emergency one, to meet the situation in the case of the few States which, until they can have a session of their legislatures, will have difficulty in placing on State pay rolls such employees who have been on the Federal pay roll.

Mr. McKELLAR. I doubt very much whether an emergency of that kind can be met beforehand. The bill specifically provides:

On the earliest possible date, in the case of each State—

And so forth. The Service shall be returned. After providing that, it seems to me the question of the exact time does not make a very material difference. I am one of those who are intensely interested in having the Service returned to the States at the earliest possible moment.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. McKELLAR. I yield.

Mr. BARKLEY. As I understand, under any language which may be contained in this bill, in no event can the



Federal Government turn the Service back to all the States at the same time.

Mr. McKELLAR. Yes; I do not see how that would be possible.

Mr. BARKLEY. It must be done separately, with each State depending upon the circumstances existing in that State.

Mr. McKELLAR. That is true.

Mr. BARKLEY. The additional 3 months provided for in my amendment, however, would make it possible by the end of that time for the Federal Government to have more completely wound it up than might be possible by the date fixed in the bill.

Mr. McKELLAR. That is my judgment about it.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. BALL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield, and if so, to whom?

Mr. McKELLAR. I shall yield first to the Senator from Massachusetts, who first asked that I yield.

Mr. BALL. Mr. President, I should like to comment briefly on the point made by the Senator from Kentucky.

Mr. McKELLAR. Very well; I yield briefly to the Senator from Minnesota.

Mr. BALL. On the point the Senator from Kentucky has raised, let me say there is nothing in the bill to prevent the Secretary of Labor from waiting until he has negotiated agreements with the 48 States and then turning the Service over to all of them at once. As a matter of expediency, obviously that is what he is going to do. He does not want to have a system that is half State and half Federal.

Mr. McKELLAR. Oh, no.

Mr. BALL. That would not be an efficient system.

Mr. BARKLEY. Even under the language of the bill as the Senator has quoted it, if by the end of the 120-day period there are circumstances which make it impossible to return the Service to the State, that time is to be prolonged until some indefinite date.

Mr. BALL. No; the time is not to be prolonged. However, there is a loophole providing for the Secretary to loan employees to the States.

Mr. BARKLEY. In other words, the law would extend the fiction of State control, but as a matter of fact it would be done by employees of the Federal Government who had been loaned to the State in order to consummate the fiction.

Mr. BALL. It would not be a fiction.

Mr. SALTONSTALL. Mr. President, I should like to ask the acting chairman of the committee two questions which may lead to suggestions for an amendment. On page 18, starting in line 8, the language has to do with the retention of Federal employees. Beginning in line 12 we find in parentheses the following language: "under the salary scales applicable to such employees prior to the enactment of this act."

In other words, those employees would be paid at Federal rates while all other employees would be paid at State rates. It seems to me that that arrangement would lead to unnecessary complication.

Mr. McKELLAR. Mr. President, I believe that the language does not have the meaning which the Senator from Massachusetts has given to it. I think it is intended that those employees shall be paid at State rates. If there is anything wrong with the language and the Senator can improve it, I see no reason why it should not be done. The intention is that the employees shall be paid the rates provided by the State.

Mr. SALTONSTALL. The employees who are transferred to the State system will be paid at State rates, and the employees who are loaned by the Secretary of Labor under the second proviso will be paid at Federal rates until they are taken over by the State Government. Am I correct?

Mr. McKELLAR. No; I do not think the Senator is correct. He has not stated the committee's intention.

Mr. HAYDEN. Mr. President, there is no dispute at all between the State authorities and the United States Department of Labor, or the United States Employment Service, with relation to the question of employees. When the question first arose, and it was evident that there was a controversy of some nature, we asked the representatives of the State and Government employment services to confer with Mr. Murphy of the legislative drafting service. The provision of the bill with reference to taking employees from the Federal pay roll and putting them on the State pay roll was in complete agreement with the State authorities and the representatives of the United States Employment Service.

The State authorities very frankly stated, "We are assuming a responsibility. We need employees who are familiar with the work. We need their help. So we will arrange to have them transferred as quickly and as expeditiously as we can."

I may say to the Senator that the language in the bill relating to the transfer of employees is in complete accord with the recommendations made by the representative of the States, and in complete accord with the desires of the United States Employment Service. There is no dispute at all about that part of the bill.

Mr. SALTONSTALL. I thank the Senator. May I ask another question?

Mr. McKELLAR. Certainly.

Mr. SALTONSTALL. The Senator from Kentucky has suggested an amendment providing that the date of transfer shall not be later than June 30, 1946. I personally prefer the language of the bill providing for 120 days. I think that the employment offices will not function satisfactorily until they have been turned back in whole to the State governments.

I should like to ask the acting chairman of the committee about the last proviso on page 18, beginning in line 21 and ending in line 10, on page 19. The language states in substance that if the Secretary of Labor is not satisfied that the States are doing a good job, he may, himself, take over the service. As the bill reads, and as I understand it, the Secretary of Labor is to be the judge of whether the States are doing a good job. If he decides that they are not doing a

good job he may take the service over completely. The language to which I refer is one of those pernicious "or-else" clauses. "You do it the way I want it done or else I will take it over." It seems to me that the determination of the question should be left to the States. If they do not do a good job, and the people in the country are not being employed, the Congress will have to do something about it. But to incorporate in the bill these "or else" clauses by which we crack a whip over State governments, is to lead to misunderstandings and unpleasant relationships, and it will not be conducive to efficient State service. I ask the acting chairman of the committee if he would object to an amendment that the language on page 18 in line 21, beginning with the words "Provided further", and continuing to the end of line 10 on page 19, be stricken out of the bill?

Mr. HAYDEN. Mr. President, again I may say that the provision to which the Senator from Massachusetts has referred is one to which the representatives of the States have agreed.

Mr. SALTONSTALL. Then, I have nothing more to say about it.

Mr. TAFT. Mr. President, I object very strenuously, even if they have agreed, because to say that we can take away the money if we find that the State is not doing something in accord with the purposes of the act is an absolute nullification of a State-aid program. If we want to specify particular defaults which justify taking over the services, I think that would be proper. But I think it is absolutely bad legislation, and destructive of the whole theory of a State-aid program, to incorporate in the bill the kind of a provision to which the Senator from Massachusetts has referred.

Mr. HAYDEN. Mr. President, when we asked those who represented the States, and those who represented the United States Employment Service to reach an agreement, they agreed upon the language which is now contained in the bill.

Mr. BALL. I talked to some of the representatives, and they said they would like very much to have the proviso eliminated from the bill.

Mr. HAYDEN. They made an agreement with reference to the text about which we are now talking. That is all I know about it. Originally the appropriation was to be matched by the States. It is now to be a complete grant of Federal funds.

Mr. TAFT. I may say that if an agreement was reached, it was an agreement to do certain things within 120 days following the enactment of the act, instead of by June 30, 1946. If an agreement was entered into, a part of it may not be rejected and used in connection with some other provision of the bill.

Mr. HAYDEN. With reference to the period of 120 days, I may say that the House fixed a period of 30 days, and the Senator from Kentucky now proposes to change it to the 30th of June 1946.

Mr. REED. Mr. President, I do not wish to take the Senator from Tennessee [Mr. McKELLAR], who is in charge of the bill, off the floor, but I have taken part, as the Senator from Tennessee and



the Senator from Arizona [Mr. HAYDEN] both know, in the negotiations which took place between the State authorities and the committee. This is approximately the situation: the present condition is wholly unsatisfactory. The two principal functions are to pay unemployment compensation, and to determine, in paying unemployment compensation—which is a most important consideration—whether or not the applicant for such compensation has been offered and has declined suitable employment. There is no person I know of who thinks that those two functions can successfully operate separately and under different authorities. There are some who believe that the Federal Government should take over the whole thing. I am not one of those; but they can make a good case in logic. There are those who think the service ought to go back to the States now. I agree with that too, but the provision to which the Senator from Massachusetts refers was a part of some of the compromises which I am going to mention.

Mr. President, at the present time there is a state of indescribable confusion in the exercise of these two functions. First, who determines whether or not an applicant for unemployment compensation has been offered suitable employment? At the present time that is determined by the USES, while the payment of compensation for unemployment is made by the State authorities. Those two functions should be brought together at the very earliest possible date.

Over a period of some days I was fairly active in helping the State authorities to get what from their standpoint was the best bill possible. They objected, in the first instance, to granting the Secretary of Labor the authority to make the finding as to whether or not proper standards of unemployment services in a State were being maintained, but, if in the judgment of the Secretary of Labor, that is not being done, authority is given to him to go into a State and operate the Federal employment system in that State only until the State service can be put on a satisfactory and sound basis.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from Arizona.

Mr. HAYDEN. I merely wish to try to make it perfectly clear just what the bill proposes in that case. The proviso at the bottom of page 18 begins with these words:

*Provided further, That if, after reasonable notice and opportunity for hearing (which may be a joint hearing with the Social Security Board under title III of the Social Security Act, as amended) to the State agency, the Secretary of Labor—*

*And so forth. In other words, the Secretary does not have power to go in and do it offhand. He must do it after reasonable notice and a hearing, if desired, which I think is important.*

Then again, as the Senator very properly points out, the concluding phrase in this proposal reads:

*Until the Secretary is satisfied that there will no longer be any such failure to comply.*

It is not contemplated that the Federal Government shall take over the State

service and keep it; it is merely a question of complying with the Wagner-Peyser Act which Congress has passed. It would not be a permanent transfer.

Mr. REED. Mr. President, we made an earnest effort to resolve, so far as we could, the differences of opinion between the State authorities and the Federal authorities. One trouble is that in the minds of the entire State officialdom there is a deep-seated belief that a considerable and influential part of the Federal administration wants to federalize the unemployment service and they believe that the longer action is delayed the less chance there will be for its return to the States.

Mr. President, I discussed with the State authorities this very proposal and I urge them to accept it. I told them that Secretary Schwollenbach had appeared before the Senate committee; that I was present when he testified, and that he said he would turn the service back to the States as rapidly as he could. He did not think that all the State services needed to be returned at the same time, and neither do I. I think if the Secretary of Labor carries out this program, he will begin to turn the services back to the States as rapidly as he can. So, partly upon my request, the State authorities accepted and agreed to the insertion of this clause to which the Senator from Massachusetts has referred.

Mr. President, I am taking the Secretary of Labor at his word. I am going to credit him with good faith until the opposite has been demonstrated. By the same token the Senate voted by 56 to 23 to adopt the well known Lucas amendment offered by the senior Senator from Illinois a month ago. That amendment provided that these agencies should be turned back in 90 days. The House has passed a bill to turn them back in 30 days.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. TAFT. I call particular attention to the fact that this subject was debated on the floor of the Senate. We considered it only 2 months ago. Its merits were discussed both ways, and, as the Senator says, by a vote of 56 to 20 the Senate voted in favor of turning the Employment Service back to the States in 90 days. That was a definite vote of the Senate of the United States at that time that they would be returned to the States on the 1st of January, and that would have been done if the House had considered the bill and accepted it—the 1st of January, not the 1st of April, not the 1st of July.

So I want to call attention to the fact that this subject has been discussed. It has been discussed from every angle. We discussed the whole history of it, and it was well understood that the unemployment services were to be turned back to the States. So I want to enforce the Senator's statement that the Senate has decided this question.

Mr. REED. I am one of those who are known as great compromisers. The Senator from Arizona and myself worked long in an effort to bring about a composition of the differences of view. I think these services could be turned

back to the States at any time within 30 days, but in the interest of comity and harmony I agreed to the 120 days. I think I voted in the committee for a shorter period, but the committee adopted 120 days, and I hope that will not be disturbed.

I agree with the Senator from Arizona that, after all, what we do here today is going to be reviewed in conference with the House, and whether we write into this bill June 30, 1946, which we ought not to do, or whether we write into the bill 120 days, which we ought to do, or whether we write into it some other period, when the bill comes out of conference, in my opinion, it will be found that this agency will be turned back to the States in about 60 days.

Mr. SALTONSTALL. Mr. President, I should like to move to strike out the proviso beginning in line 21, page 18.

Mr. McKELLAR. Mr. President, there is another amendment now pending.

The PRESIDING OFFICER. The Senator from Tennessee is correct. There is an amendment now pending.

Mr. SALTONSTALL. Then I shall withhold the motion until the pending amendment is passed upon, but I hope that at the proper time the proviso in question may be eliminated from the bill.

In furtherance of what the Senator from Kansas has said, let me say here that we agreed to turn these unemployment agencies back to the States and then we hold over their heads this threat that they will be turned back again to the Federal Government if the job is not well done. That is an "or else" provision, which is unfortunate and will make for poor service. In my opinion it is much better to turn the service over to the States, and then if they do not do a good job, let us legislate further.

In due course, I shall offer such an amendment.

Mr. McKELLAR. Mr. President, I ask for the yeas and nays. Let us vote on the pending amendment.

The yeas and nays were ordered.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHITE. What is the amendment upon which we are about to vote?

The PRESIDING OFFICER. The question is on the amendment of the Senator from Kentucky [Mr. BARKLEY] to change the date to June 30, 1946. A vote "yea" will be in favor of the amendment and a vote "nay" will be against it.

Mr. BALL. Mr. President, we fought this issue out in the Committee on Appropriations. Some of us tried to make the provision 90 days, and we finally compromised on 120 days. The Senator from Tennessee offered the motion to make the date June 30, and I think it received only a couple of votes in the committee.

Mr. McKELLAR. Oh, no; the vote was 9 to 7 in the committee.

Mr. BALL. For June 30?

Mr. McKELLAR. Yes; and I gave notice at the time it was defeated that I would offer it on the floor of the Senate.

Mr. BALL. My recollection was that the vote was stronger than that, but the Senator undoubtedly knows the record.



However, the Senate committee went to a great deal of trouble to meet several objections to the House provision, which would have required turning over the State employment offices within 30 days. There was the problem involved in transferring employees, many of whom had no State status. There was also the problem of whether we were going to appropriate the funds to the Secretary of Labor, who now has the Employment Service under him, or to the Social Security Board, which originally was the Federal agency handling the matter, when the Federal Government took over the State offices.

I think we have worked those questions out very well in the Senate committee amendment. The Barkley amendment provides for the transfer on June 30; and I think there has been abundant evidence that if we set the date June 30 that will be the date when there will be a transfer, if it ever happens, not before. The whole administration is opposed to transferring these offices back to the States until June 30, 1947, and I think that if we give the agency the authority to hold them until June 30, 1946, they certainly will keep them under Federal control. In that case, the whole Senate amendment will become meaningless. We might as well simply strike out the House provision and let the appropriation stay exactly as it is, because we will not be doing anything.

Mr. President, I hope the amendment offered by the Senator from Kentucky will be rejected.

Mr. TAFT. Mr. President, I should like to have inserted in the RECORD at this point the vote which was taken on Wednesday, September 19, last.

There being no objection, the vote was ordered to be printed in the RECORD, as follows:

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the amendment proposed by the Senator from Illinois [Mr. LUCAS], adding at the end of the committee amendment, as amended, a new section.

Mr. TAFT. I ask for the yeas and nays on that amendment.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this vote I have a pair with the senior Senator from Maryland [Mr. TYDINGS]. I, therefore, withhold my vote.

The roll call was concluded.

Mr. BREWSTER (after having voted in the affirmative). There was a possible understanding about a pair, and in order to avoid any possibility of misunderstanding I will consider myself paired with the Senator from Louisiana [Mr. ELLENDER], and so I withdraw my vote.

Mr. HILL. The Senator from Virginia [Mr. GLASS] and the Senator from Mississippi [Mr. EASTLAND] are absent because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from South Carolina [Mr. MAYBANK], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Texas [Mr. CONNALLY] and the Senator from Louisiana [Mr. OVERTON] are detained from the Senate on official business.

The Senator from Florida [Mr. PEPPER] is absent on official business.

Mr. WHERRY. The Senator from South Dakota [Mr. BUSHFIELD] and the Senator from Idaho [Mr. THOMAS] are absent because of illness. If present, both of these Senators would vote "yea."

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent.

The Senator from Delaware [Mr. BUCK] is necessarily absent. If present, he would vote "yea."

The result was announced—yeas 56, nays 23, as follows:

Yeas—56: Aiken, Andrews, Austin, Bailey, Ball, Bilbo, Bridges, Briggs, Brooks, Butler, Byrd, Capehart, Capper, Carville, Chandler, Cordon, Donnell, Ferguson, Fulbright, Gerry, Gurney, Hart, Hawkes, Hickenlooper, Hoey, Johnston of South Carolina, Knowland, La Follette, Langer, Lucas, McCarran, McClellan, McKellar, Millikin, Moore, Morse, O'Daniel, Reed, Robertson, Saltonstall, Shipstead, Smith, Stewart, Taft, Thomas of Oklahoma, Thomas of Utah, Tobey, Vandenberg, Walsh, Wheeler, Wherry, White, Wiley, Willis, Wilson, Young.

Nays—23: Barkley, Chavez, Downey, Green, Guffey, Hatch, Hayden, Hill, Johnson of Colorado, Kilgore, McFarland, McMahon, Magnuson, Mead, Mitchell, Murdock, Murray, Myers, Radcliffe, Russell, Taylor, Tunnell, Wagner.

Not voting—17: Bankhead, Brewster, Buck, Burton, Bushfield, Connally, Eastland, Ellender, George, Glass, Maybank, O'Mahoney, Overton, Pepper, Revercomb, Thomas of Idaho, Tydings.

So the modified amendment of Mr. LUCAS to the committee amendment, as amended, was agreed to.

Mr. TAFT. Mr. President, the whole history of this matter was written when we had this subject before us 2 months ago. The employment offices were taken over temporarily by the President without congressional authority. The only purpose I can see in extending the date to June 30, 1946, is to permit a longer time until Congress can consider a proposal to make the activity permanently a Federal one. That is the only significance in this date. We have before us an appropriation bill for 1946. If we do not turn the offices back until the 1st of July 1946, they may not be turned back at all, and we will have the whole question to consider again in the appropriation bill for the fiscal year 1947. The only purpose of extending the date is not to get more time, it is to maintain a status quo during which the effort may be made to make these offices permanently a part of the Federal Government. That is the only significance of this particular date.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. McKELLAR. I could not let the Senator make that statement without challenge, in view of the fact that there is no man in the Senate who is more in favor of the States managing and controlling social-security payments than I am. I am not in favor, and I do not expect to be in favor, and so far as I know no Senator on this side of the aisle is in favor of keeping this activity in the Federal Government permanently. I assure the Senator that he is mistaken about the matter, and that, so far as I am concerned, I shall use every endeavor to have the service returned to the States.

Mr. TAFT. I did not say anything about the Senator. After all, the Senator did not offer the amendment.

Mr. McKELLAR. I offered it in the committee, and I am merely stating the facts.

Mr. TAFT. It is perfectly clear that the same question will come up in connection with the appropriation bill for 1947 sometime along in March or April next year, as to whether we will appropriate in the year 1947 for the USES or for the State employment offices. So, if we adopt this amendment making the date June 30, we leave the whole subject open for reconsideration further by the Congress. It will come up on the next appropriation bill. It seems to me we should settle the issue, if that is what we want to do, and the way to do it is to fix the date at some time short of June 30.

Mr. McKELLAR. Will the Senator further yield?

Mr. TAFT. I yield.

Mr. McKELLAR. The same thing would happen if it were made 120 days, or 90 days, or 30 days, for that matter. Congress can restore the activity to the control of the Federal Government; but I do not believe a corporal's guard in the Senate would vote to do that.

Mr. TAFT. I hope the Senator is correct, but the effect of maintaining the status quo is to assist the fight when the question comes up next April. If the offices are once turned back before the next appropriation bill is considered, I do not believe the subject will be practically before the Congress, so far as any controversy is concerned.

Mr. President, I feel very strongly that we should stand by the decision we made. If we are in favor of turning the services back, they can be turned back just as well by the 1st of April as by the 1st of July. We have settled the question. If we make the date the 1st of July, the question will still be open.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ball	Hayden	Revercomb
Barkley	Hill	Robertson
Bilbo	Hoey	Saltonstall
Brewster	Huffman	Shipstead
Buck	Johnston, S. C.	Smith
Bushfield	Knowland	Stewart
Butler	La Follette	Taft
Capper	Lucas	Taylor
Carville	McCarran	Thomas, Okla.
Chavez	McClellan	Tobey
Connally	McFarland	Tunnell
Cordon	McKellar	Tydings
Donnell	Maybank	Wagner
Downey	Mead	Walsh
Eastland	Mitchell	Wheeler
Ellender	Moore	Wherry
Ferguson	Morse	White
Fulbright	Murdock	Wiley
George	Myers	Willis
Gerry	O'Daniel	Wilson
Green	O'Mahoney	Young
Gurney	Radcliffe	
Hatch	Reed	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY] on page 19, line 12,



after the word "than", to strike out the words "the one hundred and twentieth day after the date of enactment of this act", and insert in lieu thereof "June 30, 1946."

On this question the years and nays have been ordered, and the clerk will call the roll.

Mr. BALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BALL. A vote "yea" is a vote for the Barkley amendment to set the date for June 30, 1946, and a vote "nay" is a vote to retain the committee provision of 120 days?

The PRESIDING OFFICER. That is correct.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. BUTLER (after having voted in the negative). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the junior Senator from Illinois [Mr. BROOKS] and allow my vote to stand, as I understand he would vote as I have voted.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Missouri [Mr. BRIGGS], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is absent on official business.

The Senator from Pennsylvania [Mr. GUFFEY] is detained on official business at one of the Government departments.

The Senator from Washington [Mr. MAGNUSON] is a delegate to the American Legion convention in Chicago, and is therefore necessarily absent.

The Senator from Montana [Mr. MURRAY] is attending the conference in London to consider the creation of an educational and cultural organization of the United Nations.

The Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Colorado [Mr. JOHNSON], the Senator from Connecticut [Mr. McMAHON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business with the Special Committee on Atomic Energy.

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN] is excused, the excuse for his absence having heretofore been stated.

The Senator from Vermont [Mr. AUSTIN], the Senator from Connecticut [Mr. HART], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] have been excused. They are members of the Atomic Energy Committee, which is on an inspection trip to Oak Ridge, Tenn.

The Senator from Illinois [Mr. BROOKS] and the Senator from North Dakota [Mr. LANGER] are members of the

Senate committee attending the funeral of the late Senator Thomas of Idaho.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from New Jersey [Mr. HAWKES] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is unavoidably absent because of injuries resulting from an accident. If present he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS]. If present he would vote "nay."

The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], the Senator from New Jersey [Mr. HAWKES], and the Senator from Iowa [Mr. HICKENLOOPER] would vote "nay" if present.

The result, was announced—yeas 31, nays 35, as follows:

#### YEAS—31

Barkley	Huffman	O'Mahoney
Chavez	Johnston, S. C.	Revercomb
Connally	McCarran	Stewart
Downey	McClellan	Taylor
Eastland	McFarland	Tunnell
Ellender	McKellar	Tydings
Fulbright	Maybank	Wagner
George	Mead	Walsh
Green	Mitchell	Ycung
Hatch	Murdock	
Hill	Myers	

#### NAYS—35

Ball	Gurney	Shipstead
Bilbo	Hoey	Smith
Brewster	Knowland	Taft
Buck	La Follette	Thomas, Okla.
Bushfield	Lucas	Tobey
Butler	Moore	Wheeler
Capper	Morse	Wherry
Carville	O'Daniel	White
Cordon	Radcliffe	Wiley
Dennell	Reed	Willis
Ferguson	Robertson	Wilson
Gerry	Saltonstall	

#### NOT VOTING—28

Aiken	Glass	Magnuson
Andrews	Guffey	Millikin
Austin	Hart	Murray
Bailey	Hawkes	Overtton
Bankhead	Hayden	Pepper
Bridges	Hickenlooper	Russell
Briggs	Johnson, Colo.	Thomas, Utah
Brooks	Kilgore	Vandenberg
Byrd	Langer	
Capehart	McMahon	

So Mr. BARKLEY's amendment to the committee amendment was rejected.

Mr. REED. I move that the vote by which the Barkley amendment was rejected be reconsidered.

Mr. WHERRY. I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. SALTONSTALL. Mr. President, I now offer the amendment which I previously suggested, to strike out, on page 18, the proviso beginning in line 21, and continuing through line 10, on page 19. I do so for the reasons which I have already stated. This is one of those "or else" clauses, by which the Secretary of Labor would hold a threat of withholding grants or of taking the services from the States and placing them under the Federal Government if the States did not conduct their services properly.

Without going into further detail, I hope that the amendment may be adopted. If the States do not do a good job, Congress should act and take the services away from the States. But while the States are trying to carry on,

they should not have a whip held over their heads so that if they do not administer the services in this way or that way they will be taken away from them and put back in the Federal Government. I do not believe that such a provision would make for good legislation or good administration.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL] to the committee amendment on page 18, beginning on line 21.

Mr. HAYDEN. Mr. President, if I thought the statement made by the Senator from Massachusetts was correct I would not object; but that is not the case. The provision we are now discussing was agreed to by the representatives of the States. As the Senator from Kansas has pointed out, it is merely a temporary matter. Only when there was difficulty of any kind could the Secretary of Labor take back the service, until he was satisfied that there would no longer be failure to comply.

How is the money to carry on this activity obtained? A tax is levied on employers throughout the United States. Money is being taken from employers throughout the United States for an unemployment-compensation tax. There has been accumulated in the Treasury approximately \$600,000,000 over and above what the employers have paid into the system. For that reason we are abandoning the old arrangement, under which the States matched the Federal contribution, and will pay for the activity entirely out of the Federal Treasury.

This is a beautiful illustration of the modern conception of States' rights. The Federal Government levies the tax. Every employer knows that it is a tax levied by the Congress which he must pay, and he knows that he pays it to the collector of internal revenue. So we do all the dirty work of raising the money. Then the States have the right to "come and get it"; and, according to the Senator from Massachusetts, after they come and get it, we are to have nothing to say about how they carry on. Having levied and collected the tax, and having appropriated the money and turned it over to the States, we should then make no further inquiry, and raise no question at any time as to whether the States are properly administering the activity. This provision does not say that any morning the Secretary of Labor arises from the wrong side of his bed, he may arbitrarily take back the Employment Service. When we look at the provision in the bill, we find that it says very clearly that it is to be taken back upon a complaint, upon notice, and after a hearing in which the Social Security Board can participate. That is a very different procedure as compared to having the Secretary simply take it back. Then, if he does take it back, he can hold it only long enough to satisfy himself that the States are conducting the kind of employment service for which the Federal Government is paying out every cent.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.



Mr. SALTONSTALL. I understood the Senator to say that this was only a temporary provision.

Mr. HAYDEN. No, Mr. President, the Senator misunderstood me. I said it was a provision whereby the Federal Government could operate a State employment service temporarily, until the matter could be straightened out so that the State would again operate a satisfactory service. As we see by the very language of the act, it is not contemplated that the Federal Government shall take it back and keep it forever.

Mr. SALTONSTALL. But the decision is with the Secretary of Labor who is the one who must be satisfied. He calls the State service before him; and, after a hearing, he having been dissatisfied in the first place, he says, "No; that service is not being properly run, so I will take it over."

If it is a temporary matter, as the Senator says, it means that perhaps today the service will be operated by the Federal Government, tomorrow it will be operated by the State government, and the next day it will be operated again by the Federal Government—of course, after due hearings.

Mr. HAYDEN. Does the Senator believe that the Congress having levied the taxes, having raised the money, and having appropriated the money, should wash its hands of the matter and say, "We do not care whether the service is good or bad; it is none of our concern. We cannot do anything about it. Take the money and do what you please with it."

Mr. SALTONSTALL. Mr. President, will the Senator further yield to me?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I respectfully call to the Senator's attention the fact that there is pending on the calendar today a bill with relation to hospitals, and under that bill money would be turned over to the States, without further supervision, as I understand, by the Federal Government. Furthermore, there is in the committee a bill providing for education, and the money is to be turned over to the States without further supervision by the Federal Government.

Mr. HAYDEN. In all my experience in the Congress, I know of no legislation by which we have appropriated money to a State, to aid the State in carrying on an activity, when no standard was set up whereby there would be some supervision by the Federal Government to see that the money raised by the taxpayers and appropriated by the Congress was expended in some way to conform with the law under which the State received the money.

Mr. TAFT. Mr. President, will the Senator yield to me?

Mr. HAYDEN. I yield.

Mr. TAFT. Let me point out that there is already such a provision in the Social Security Act. Let me read the provision of the act relating to unemployment compensation. It is section 303 (b):

Whenever the Board, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that in the administration of the law there is (1) a denial

in a substantial number of cases of unemployment compensation to individuals entitled thereto under such law or (2) a failure to comply substantially with any provision specified in subsection (a)—

Those are the specific things provided in subsection (a)—

the Board shall notify such State agency that further payments will not be made to the State until the Board is satisfied that there is no longer any such denial or failure to comply. Until it is so satisfied, it shall make no further certification to the Secretary of the Treasury with respect to such State.

That law is now on the statute books. The only thing the committee amendment does is, in the first place, to broaden the power to withhold money. I do not see why we should adopt that language now, because the Social Security Act is substantive law, and we should not change it in an appropriation bill.

Mr. HAYDEN. The Senator is referring to failure on the part of the State to carry out the provisions of the Unemployment Compensation Act. This matter relates to the United States Employment Service, an entirely different subject matter.

Mr. TAFT. Oh, no. After the Employment Service is turned back to the States, it will be operated under title III of the Social Security Act. In this bill we are making grants to the States for unemployment compensation, as provided for in title III of the Social Security Act, and every cent that is turned over to the States shall be subject to that provision of title III.

Really, there is no need for any of these provisions about noncompliance and about hearings, because the matter is already cared for by the present law. The law says that in such case the Secretary of Labor may maintain a statewide system of unemployment offices. I take it that is the purpose of the committee amendment. I do not think it should be included in a 1-year bill. If the Social Security Act is to be changed, it should not be changed by this bill.

As a matter of fact, the Employment Service will be turned back to the States around the first of April, under the present provision. In 3 months—that is as long as this provision will apply—there will not be any chance to determine whether there is or is not default. It seems to me this provision is intended to give the Secretary of Labor a loophole by which to avoid turning the employment offices back to the States if he does not wish to do so. I cannot see that the provision has any other purpose. Otherwise, the matter should be left for a revision of the Social Security Act, which is now before the Congress and is being taken up by the Ways and Means Committee of the House of Representatives. We should not here try to determine the purpose of that act. Although I may be wrong in my suspicion, it seems to me that the only effect will be to give the Secretary of Labor a loophole by which to avoid compliance with the requirement to return the services to the States, and it would permit him to hang on to the employment services for a long period of time, because I take it that would be the effect of the provision relative to 1 year.

Mr. HAYDEN. Mr. President, I think the Senator is wholly mistaken as to the attitude of the Secretary of Labor. The Secretary of Labor understands that the Senate already has voted to return the Employment Service to the States, and he understands that the House has made a similar decision, and that the Service is going to be returned to the States. Of course, the Secretary of Labor stated in the hearing that he was opposed to that proposition; but all he was concerned with when he appeared before the committee was to have incorporated in the bill a provision to transfer the Service back to the States in an orderly manner. In order to have that done, he asked the State representatives and the representatives of the United States Employment Service to get together and work out a program, and the provision in the bill is what they worked out.

This provision was agreed to by representatives of the States; and if those who are officially representing the State employment services agree about this matter, I do not see why the Senator has to worry about it.

Mr. TAFT. The Senator from Arizona does not necessarily follow the views or opinions of the representatives of the State employment services, and neither do I. I think we have to decide these questions for ourselves.

I wish only to point out that in a carefully considered Social Security Act we already have laid down the conditions in accordance with which money may be withheld from the States. We certainly have not turned back these services to the States as yet, and we shall not do so until the 1st of April. I see no reason why we cannot consider this question as to the exact terms of punishment, if you please—the taking over by the Federal Government—at the time when we consider amendments to the Social Security Act.

I think the amendment of the Senator from Massachusetts should be adopted. I think we should definitely stick to the Social Security Act and its provisions, and we should not try to attach legislation to an appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL].

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "War Department," on page 20, line 12, after the word "departments", to strike out "\$57,854,572" and insert "\$51,594,572."

The amendment was agreed to.

The next amendment was, on page 20, line 13, after "In all, title I", to strike out "\$2,956,807,646" and insert "\$2,940,828,227."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Works Agency," on page 21, line 4, after the words "Access



roads", to strike out "\$3,076,845" and insert "\$2,576,845."

The amendment was agreed to.

The next amendment was, under the subhead "Executive Office of the President," after line 12, to strike out:

Alien Property Custodian, \$500,000.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Military Establishment," on page 23, line 25, after the numerals "1942-1946", to strike out "\$12,829,151" and insert "\$10,829,151."

The amendment was agreed to.

The next amendment was, on page 24, line 14, after the numerals "1942-1946", to strike out "\$3,944,994,479" and insert "\$3,899,682,479"; in line 17, after the word "men", to strike out "\$10,000,000" and insert "\$5,000,000"; in line 19, after the word "Army", to strike out "\$561,018,000" and insert "\$521,018,000"; and in line 21, after the word "animals", to strike out "\$1,670,000" and insert "\$1,358,000."

The amendment was agreed to.

The next amendment was, on page 25, line 2, after the numerals "1942-1946", to strike out "\$1,679,434,000" and insert "\$1,671,934,000."

The amendment was agreed to.

The next amendment was, on page 25, line 5, after the numerals "1942-1946", to strike out "\$12,166,313,000" and insert "\$11,313,313,000: *Provided*, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor."

The amendment was agreed to.

The next amendment was, on page 25, line 12, after the numerals "1942-1946", to strike out "\$268,039,000" and insert "\$267,539,000."

The amendment was agreed to.

The next amendment was, on page 25, line 14, after the numerals "1942-1946", to strike out "\$2,349,523,571" and insert "\$2,306,763,000"; and in line 17, after the words "Engineer Service", to strike out "\$2,054,408,571" and insert "\$2,011,648,000."

The amendment was agreed to.

The next amendment was, on page 25, line 22, after the numerals "1942-1946", to strike out "\$8,300,000,000" and insert "\$8,100,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Transfer of appropriations," on page 27, after line 7, to insert:

Army of the Philippines, \$200,000,000: *Provided*, That service in the organized military forces of the government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the

payment of pensions on account of service-connected disability or death: *Provided further*, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: *Provided further*, That any payments heretofore made under any such law to or with respect to any member of the military forces of the government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.

The amendment was agreed to.

The next amendment was, under the subhead "General provision," page 28, line 24, after "In all, title II", to strike out "\$30,903,090,564" and insert "\$29,752,017,993."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Naval Establishment," on page 29, line 6, after the numerals "1946", to strike out "\$13,000,000" and insert "\$10,800,000."

The amendment was agreed to.

The next amendment was, on page 31, line 11, after the numerals "1946", to strike out "\$9,000,000" and insert "\$6,000,000."

The amendment was agreed to.

The next amendment was, on page 32, line 4, after the numerals "1946", to strike out "\$50,000,000" and insert "\$38,262,000."

The amendment was agreed to.

The next amendment was, on page 33, line 7, after the numerals "1946", to strike out "\$2,600,000,000" and insert "\$2,550,451,000."

The amendment was agreed to.

The next amendment was, on page 33, line 10, after the numerals "1944", to strike out "\$128,214,285" and insert "\$69,247,269."

The amendment was agreed to.

The next amendment was, on page 34, line 2, after the numerals "1946", to strike out "\$15,000,000" and insert "\$5,000,000."

The amendment was agreed to.

The next amendment was, on page 34, line 6, after the words "sum of", to strike out "\$1,229,880,000" and insert "\$1,283,510,540: *Provided*, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority."

Mr. McKELLAR. Mr. President, the Senator from Massachusetts [Mr. WALSH] and the Senator from Texas [Mr. CONNALLY] wish to be heard on this amendment.

Mr. WALSH. Mr. President, the Navy Department is quite disturbed over some of the reductions which have been made in the pending bill. I have been in communication with the acting chairman of the Appropriations Committee with reference to the reductions. So far as the Navy is concerned, its position can best be stated by reference to a letter which I have received from Admiral Horne. I send the letter to the desk and ask that it be read.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Without objection, the letter will be read.

The Chief Clerk read as follows:

NAVY DEPARTMENT,  
OFFICE OF THE CHIEF OF  
NAVAL OPERATIONS,  
Washington, November 15, 1945.

Hon. DAVID I. WALSH,  
United States Senate.

MY DEAR SENATOR WALSH: The original estimate for the cost of providing adequate laying-up facilities for ships of the reserve and inactive fleets was \$116,000,000.

As a result of the cuts made by the Bureau of the Budget, this amount had to be reduced to \$88,768,750.

As a result of the further rescission made by the House of \$45,000,000 for the public-works bill, the amount for this project had to be again reduced to \$56,915,584.

Contract work already obligated for this project amounts to approximately \$24,000,000, and the total estimated cost of absolutely essential work to provide the very minimum of required facilities is approximately \$75,000,000. It can be seen from these facts that the amount of approximately \$57,000,000 left after the House rescission will mean a curtailment of some of the absolutely essential work.

I have just been advised, and confirming my telephone conversation with you, that the Senate Appropriations Committee has further reduced this appropriation by \$53,630,540, with the specific recommendation that this total amount should be applied against the projects for laying up of ships and permanent construction of hospitals.

There was only approximately \$21,000,000 left in the House bill for hospitals. Even if this amount were eliminated in toto (which is, of course, not possible), we would still have to reduce the project for laying-up facilities by approximately \$32,000,000 more, which would provide then a total amount for this project of only approximately \$25,000,000. As noted above, we have already obligated \$24,000,000, which practically exhausts all of the available funds if the Senate rescission is finally made, which means that none of the additional and absolutely essential items under this program can be undertaken.

In the preparation of the plan for laying up of the reserve and inactive fleets, the Department arranged for the irreducible minimum of facilities. It is easy to see that unless there are adequate berthing facilities for tying up the ships, the ships must be anchored in the open roadstead. Such ships, if anchored offshore, must either be kept in a reduced commission and manned by service personnel or civilian caretakers and preservation gangs employed, resulting in a wasteful utilization of labor as well as greatly increasing the chances of an expensive casualty. Work under such conditions will naturally be less carefully supervised, and the deterioration that can be prevented with shore connections and shore facilities may soon exceed the saving in not providing adequate facilities with the easy access and efficient handling that the berthing provided by the plan offers.

A secondary point is that the speed of laying up the vessels will be greatly retarded if the vessels cannot be berthed ashore and the shore facilities available to assist in the laying up of vessels. This will inevitably tend to retard the release of the officers and enlisted men who are not destined to remain with the postwar Navy.

It is therefore strongly urged that every effort be made to have at least the amount cut back by the Senate Appropriations Committee put back in the bill and, for the reasons outlined above, if it is possible, to have at least a part of the rescission by the House committee reinserted when this bill comes up for conference.

Sincerely yours,

F. J. HORNE,  
Admiral, United States Navy.



Mr. WALSH. Mr. President, briefly summarized, the letter complains against the cut in the naval hospital service item. It says:

It would eliminate the construction of 915 permanent hospital beds required for post-war needs. In addition to deleting the construction of these hospital beds it also involves the elimination of numerous other items required for the rehabilitation and security of patients and the efficient operation of some 20 naval hospitals.

The reduction would also greatly affect the efforts of the Navy Department to establish bases or anchorages for a reserve fleet. It is well known that a large number of vessels must be placed in anchorage basins or tied up at docks. Proper facilities are not available, but have been provided for by appropriations, and in fact, some contracts have already been made.

Mr. MAYBANK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from South Carolina?

Mr. WALSH. I yield.

Mr. MAYBANK. I should like to ask the Senator whether he has an intention of offering an amendment. I listened to the last part of the letter very carefully—and I had already read the letter, as the Senator knows—and apparently it merely asks that the conferees abide by the House provision.

Mr. WALSH. I think all we need do is vote down the Senate committee amendment, which will restore the House provision.

Mr. MAYBANK. I thank the Senator. I am in thorough accord with him. I think we have gone a little too far in the cuts in the Navy appropriations, particularly in the two main items he has mentioned, namely, in facilities for laying up ships, the lack of which in the end will result in greater cost, and in the appropriation for hospital beds.

Mr. WALSH. Mr. President, I quote from the letter which I have had read:

If this rescission of approximately \$32,000,000 stands, I am satisfied that within a very few years the cost to the Government will be as great as the proposed saving due to the extra cost to handle about one-third of the vessels in improper berths or anchored in the stream far from the services and with the least efficient utilization of labor.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. WALSH. I yield.

Mr. MAYBANK. I might suggest to the Senator, and I think he will agree with me, that one of the troubles after the last war was that naval vessels were left lying idle, and finally were put on the junk heap. I think it is a question of conserving money in the last analysis, and it would be well not to have a repetition of what happened in 1920.

Mr. WALSH. The Senator has made an accurate observation as to what happened in 1920, after the last war.

From what I have learned from various members of the Committee on Appropriations, they themselves feel that the cut has been too severe. I hope the Senator in charge of the bill will agree that the Senate committee amendment may be rejected and the House provision may stand.

Mr. McKELLAR. Mr. President, I cannot do that, for the reason that the amendment was offered by the Senator from Louisiana [Mr. OVERTON], who is chairman of the Naval Subcommittee of the Committee on Appropriations. He seemed to think this appropriation was wholly unnecessary, and that it should be cut. He is not present today, because of illness, and I do not feel that I can make an agreement for him. It will have to go to a vote. Can it not be brought to the attention of the Senate again? Why not let the amendment be agreed to? It cannot result in harm being done.

Mr. WALSH. It would be unfortunate if on a vote the Senate Committee amendment were agreed to, because that would somewhat tie the hands of the conferees. If the Senate conferees would agree to review and restudy these cuts in the light of the information that has been presented, that would be satisfactory.

Mr. McKELLAR. I shall be glad to have the Senator come before the conferees and make any argument he wishes to urge about the matter, if he will let the amendment go to conference.

Mr. WALSH. If I let it go to a vote, and we should not succeed in rejecting it, our hands would be tied.

Mr. McKELLAR. Yes. I think it would be better to let it go to conference.

Mr. WALSH. On the assurance of the acting chairman of the committee—and I know of his sympathy with what I am saying—I am disposed to let the amendment be approved, with the understanding that there will be a review and restudy of the whole situation.

Mr. CONNALLY. Mr. President, is the Senator referring to the amendment on page 34, line 7?

Mr. McKELLAR. That is the amendment.

Mr. CONNALLY. The appropriation is a lump sum. It is difficult to tell just what the allocation of the sums will be.

Mr. WALSH. The items in question affect hospitals and berthing facilities for ships which are placed in reserve.

Mr. CONNALLY. That is all true.

Mr. McKELLAR. I may say to the Senator from Texas that if he will let the amendment be agreed to we shall be glad to have him join the Senator from Massachusetts and the Senator from South Carolina and come before the conferees. That is the best course I can suggest.

Mr. WALSH. The Senator from Texas is one of many Senators who have spoken to me about the subject and who feel very strongly about this cut being extreme. I think the acting chairman of the committee himself has some doubt about it.

Mr. MAYBANK. Mr. President, will the Senator yield again?

Mr. WALSH. I yield.

Mr. MAYBANK. I appreciate the Senator from Tennessee saying he would be glad to have me join other Senators in appearing before the conferees. When this matter came up last week it was necessary for me to be in South Carolina in connection with the visit to that State of the Secretary of State, who de-

livered a most important address in a great homecoming welcome.

Mr. CONNALLY. Mr. President, I thank the Senator from Tennessee for inviting us to come before the conference committee. I do not see that I would have much better luck before the conference than I had before the Committee on Appropriations. They heard us with one ear open, and their heart valves all closed.

Mr. President, I wish to address myself to the item discussed by the Senator from Massachusetts. I should much prefer that the Committee on Appropriations made clearer, in all the appropriation bills, what money is to be spent for. They merely provide it in a great wad, so to speak, and turn it over to a department to allocate as it sees fit. I think the practice in many State legislatures is superior to that system.

What I am particularly interested in is the item for hospitals. It was provided by authorizations in existing law that the Navy could build certain hospitals. They had appropriations with which to build them. They were preparing their plans and getting ready to erect them, when the Committee on Appropriations comes along with a big pair of shears and clips off the appropriation, and then seeks to legislate by inserting a clause that no hospital shall be built within a certain time.

The result is that a hospital projected to be built by the Navy at Austin, Tex., is eliminated. Another hospital proposed to be built by the Navy, and for which plans have already been made, a hospital at Marlin, Tex., the county seat town where I reside, was eliminated entirely, although the Navy has already spent a good deal of money drawing the plans and getting ready to proceed with the building of the hospital.

I wish to quote the testimony of Admiral McIntire, Surgeon General of the Navy, before the House committee. I thought he knew something about hospitals, but he has not been through the mill as some of us have. I am about to read from a General Statement for Public Works program, fiscal year 1946, Bureau of Medicine and Surgery, by Vice Admiral Ross T McIntire.

Mr. President, we all believe in economy, of course, and I want to see cut back every dollar it is not necessary to spend, but I do not propose to cut back on the building of hospitals for wounded soldiers and sailors who are returning from the battlefields. Admiral McIntire says these naval hospitals are needed to care for the men now in the Pacific, the wounded and the sick.

Mr. MAYBANK. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. I yield.

Mr. MAYBANK. I thoroughly agree with the Senator from Texas. Only a month ago I was assured by the Navy Department that a hospital had been approved for wounded marines and sailors to be built in South Carolina. It was authorized more than a year ago, yet that also would be eliminated now. It could not be built then because of lack of material. I want to be certain, as does the Senator, that we have economy



wherever possible, but I want to be certain that the men returned from the war may get attention and treatment in hospitals where they are needed. That cannot be done in temporary buildings such as those we have now, because many of the veterans are permanently disabled.

Mr. CONNALLY. I will say to the Senator that under the cuts imposed by this bill the naval hospital at Beaufort, S. C.—

Mr. MAYBANK. That is at Parris Island. It is the main training base on the east coast—New River and Parris Island, I will say to the Senator.

Mr. CONNALLY. I assume that hospital will not be built under this provision.

Mr. MAYBANK. The Senator's assumption is correct.

Mr. CONNALLY. I do not want to weary the Senate—

Mr. MAYBANK. Mr. President, will the Senator yield again?

Mr. CONNALLY. I yield.

Mr. MAYBANK. If all this money is eliminated of course the hospital will not be built.

Mr. CONNALLY. If the action of the Senate committee stands the hospital will not be built.

Mr. President, Admiral McIntire testified:

It will be recalled that the Bureau of Medicine and Surgery submitted a very conservative estimate of additional requirements—

Additional requirements, Mr. President—

for the fiscal year 1946 public work appropriation, estimated to total about 10,000 beds. It was stated that in the interest of economy every effort would be made to secure those beds either by the conversion of surplus Federal facilities or by the lease and conversion of suitable civilian facilities, resorting to construction only as a last alternative. The only exception to this policy was the permanent naval hospital at St. Albans, required as a replacement for the obsolete plant at Brooklyn. It can now be seen as a result of curtailment of the war effort that requirements will be met by a program providing about 85,000 beds, in lieu of the 90,000 previously estimated.

Justification of the program is based on known deficiencies in operation of certain naval hospitals due to lack of one or more essential units, plus bed requirements calculated on projected naval strengths at intervals of the demobilization period.

I shall omit a part of the testimony, Mr. President, but shall ask to have Admiral McIntire's full statement incorporated in the RECORD in a moment.

Mr. MAYBANK. Mr. President, will the Senator yield again?

Mr. CONNALLY. I yield.

Mr. MAYBANK. I should like to call the attention of the Senate and of the distinguished Senator from Texas to the fact that General Bradley, who is in charge of the Veterans' Administration, only recently made a survey with the hope that perhaps he might be able to use some of the temporary hospitals at Army camps in various places throughout the United States to house and care for some of the extreme cases. As the result of this very careful investigation by the Veterans' Administration 60 hospitals were declared surplus, and I am told that General Bradley himself says that some of these hospitals, of which

they had hoped some part or some small section might be used, were of temporary construction and were not good enough to be used for the type of hospitalization about which Admiral McIntire testified.

Mr. CONNALLY. I thank the Senator from South Carolina.

Resuming reading from Admiral McIntire's testimony, Mr. President:

In setting up the revised 1946 public-works program it was considered advisable to include in it a certain number of permanent hospitals, looking forward to the disestablishment of many of our temporary hospitals which are attached to stations that will be abandoned. These hospitals are:

	Beds
United States naval hospital, St. Albans, N. Y.-----	1,000
A naval hospital in the San Francisco Bay area-----	1,000
A naval hospital in Beaufort, S. C.-----	500
A naval hospital in Austin, Tex.-----	500
A naval hospital in Marlin, Tex.-----	500

Had the war continued these beds would have been urgently needed in the over-all hospital program.

I wish some of the members of the Appropriations Committee were present. This is an appropriation bill. I observe only one member of the Appropriations Committee, the distinguished Senator from Arizona [Mr. HAYDEN], on the floor of the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TAFT. I also call attention to the Senator from Kansas [Mr. REED] who is a member of the committee.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WILLIS. I should like to inform the Senator that I am a member of the Appropriations Committee.

Mr. HAYDEN. Also the Senator from New Mexico [Mr. CHAVEZ].

Mr. CONNALLY. I am glad to know that the three Senators are also members of the committee.

Mr. REED. May I inquire, is this an indictment or a compliment.

Mr. CONNALLY. No; I simply said I wished a greater number of members of the Appropriations Committee were present. I am glad to know that the Senator from Kansas is in attendance, and looking after the bill, although the Senator does not know what is presently going on because he was in conversation with another Senator.

Mr. REED. Mr. President, may I inquire further—

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The Senator from Texas has the floor. Does the Senator from Texas yield to the Senator from Kansas?

Mr. CONNALLY. I yield to the Senator from Kansas.

Mr. REED. I should like the Senator from Texas to enlighten the Senator from Kansas further as to what feature of the bill is before the Senate.

Mr. CONNALLY. I continue to read from Admiral McIntire's testimony:

Now that the war is completed, these beds are urgently needed—

I want members of the Appropriations Committee to hear those words of the Surgeon General of the Navy, stating

that these beds are urgently needed now—

urgently needed so that naval personnel can be housed in permanent structures and the temporary hospitals be disestablished.

Do Senators want our wounded men to be housed in permanent fireproof structures or do they want them housed in old shacks? I want them housed in permanent structures.

I continue to read:

This is in the interest of good hospital care and also in economy of operation.

The Bureau of the Budget, in reviewing the 1946 public-works program of the Bureau of Medicine and Surgery, reduced the amount of money requested from \$55,897,700 to \$26,764,511. It was necessary then for the Bureau of Medicine and Surgery to recommend to the Bureau of Yards and Docks a revision of its public-works plan.

In order to meet this drastic cut, the San Francisco Bay project of 1,000 beds was deleted. The hospital at Marlin, Tex., of 500 beds was deleted. The naval hospital at Austin, Tex., was reduced to 200 beds, and the naval hospital at St. Albans, N. Y., was reduced to 600 beds. This resulted in a reduction of 2,200 permanent beds in the 1946 program.

Mr. President, I ask that the complete statement made by Admiral McIntire on the subject be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

GENERAL STATEMENT FOR PUBLIC WORKS PROGRAM  
FISCAL YEAR 1946, BUREAU OF MEDICINE AND  
SURGERY, BY VICE ADMIRAL ROSS T MCINTIRE

It will be recalled that the Bureau of Medicine and Surgery submitted a very conservative estimate of additional requirements for the fiscal year 1946 public works appropriation, estimated to total about 10,000 beds. It was stated that in the interest of economy every effort would be made to secure those beds either by the conversion of surplus Federal facilities or by the lease and conversion of suitable civilian facilities, resorting to construction only as a last alternative. The only exception to this policy was the permanent naval hospital at St. Albans, required as a replacement for the obsolete plant at Brooklyn. It can now be seen as a result of curtailment of the war effort that requirements will be met by a program providing about 85,000 beds, in lieu of the 90,000 previously estimated.

Justification of the program is based on known deficiencies in operation of certain naval hospitals due to lack of one or more essential units, plus bed requirements calculated on projected naval strengths at intervals of the demobilization period. Past experience demonstrates that the peacetime hospital sick rate is about 2 percent of total naval strength. To this must be added a factor arising from the prolonged definitive care required by war casualties. Whereas the average length of stay on the sick list for the usual hospital patient received in peacetime is approximately 28 days, war casualties requiring extensive surgical repairs and rehabilitation may pass 6 to 12 months in the hospital, thus increasing the requirements for beds. Other additional factors increasing the hospital patient load are the patients who will be admitted as a result of screening personnel prior to discharge, supernumeraries such as Coast Guard and dependents, and Veterans' Administration patients. Currently about 2,500 beds are allocated to the Veterans' Administration, but it has been stated by that agency that a request for increase may be expected, as beds become available, to a maximum of about 10,000.



As of October 1 the total hospital patient load was 101,332. It is estimated that seasonal incidence of communicable disease, plus the increase of patient load resulting from screening personnel prior to discharge, will offset any decreases resulting from demobilization until about December 15, 1945, following which there will be a gradual reduction in patient load to 56,646 by July 1, 1946. For the remainder of the fiscal year the average patient load is computed to be 88,934 of which 75,327 may be expected to be hospitalized within the continental limits. Since the existing normal capacity is now 123.4 percent occupied, it is obvious that as the patient load declines first consideration must be given to abolishing the existing and very undesirable crowding in naval hospitals. This will be managed by permitting attrition to occur in the most overcrowded facilities while at the same time assigning incoming drafts to new facilities which will be established as the program is completed.

In setting up the revised 1946 public works program it was considered advisable to include in it a certain number of permanent hospitals, looking forward to the disestablishment of many of our temporary hospitals which are attached to stations that will be abandoned. These hospitals are:

	Beds
United States naval hospital, St. Albans, N. Y.-----	1,000
A naval hospital in the San Francisco Bay area-----	1,000
A naval hospital in Beaufort, S. C.-----	500
A naval hospital in Austin, Tex.-----	500
A naval hospital in Marlin, Tex.-----	500

Had the war continued these beds would have been urgently needed in the over-all hospital program. Now that the war is completed, these beds are urgently needed so that naval personnel can be housed in permanent structures and the temporary hospitals be disestablished. This is in the interest of good hospital care and also in economy of operation.

The Bureau of the Budget, in reviewing the 1946 public works program of the Bureau of Medicine and Surgery, reduced the amount of money requested from \$55,897,700 to \$26,764,511. It was necessary then for the Bureau of Medicine and Surgery to recommend to the Bureau of Yards and Docks a revision of its public-works plan.

In order to meet this drastic cut the San Francisco Bay project of 1,000 beds was deleted. The hospital at Marlin, Tex., of 500 beds, was deleted. The naval hospital at Austin, Tex., was reduced to 200 beds, and the naval hospital at St. Albans, N. Y., was reduced to 600 beds. This resulted in a reduction of 2,200 permanent beds in the 1946 program.

The allocation of the further rescission by the House Appropriations Committee of an additional \$45,000,000 from the appropriation public works, Bureau of Yards and Docks, further reduced funds for the Bureau of Medicine and Surgery public works program to \$21,224,257, necessitating the elimination of the following projects from the 1946 program:

National Naval Medical Center Research Institute: West annex for.

Naval hospital, St. Albans, N. Y.: Permanent construction of 384 beds and accessories thereof.

The annex for the Naval Medical Research Institute is planned to provide additional space required in housing special research equipment essential to the postwar medical research program, and its deferment will delay the launching of important research projects.

The construction of a 1,000-bed permanent hospital at St. Albans, N. Y., was authorized under the 1946 public works appropriation and is urgently needed in the postwar period to provide a permanent naval hospital in the New York area as a replacement for the old

Brooklyn Naval Hospital. The further cut-back in the St. Albans project is so extensive that provision remains for only 216 of the original 1,000 beds, making it impossible to operate only the permanent unit. Many patients must continue to be housed in temporary buildings.

It is considered vitally necessary to proceed immediately with a well-ordered construction plan for the postwar Navy. There will be in all naval hospitals about 12,300 beds in permanent construction by January 1, 1946. It is estimated that about 28,000 beds in permanent construction will be required in order to accommodate the expected patient load of a postwar Navy of 660,000, including the Marine Corps. This total includes 10,000 beds estimated by the Veterans' Administration as an immediate peacetime requirement. Thus it is obvious that a majority of patients must continue to be housed in temporary construction. It will be easily understood that it is not good economy to hospitalize 1,000 patients in a 5,000-bed temporary institution. The rescission of funds for the public-works program imposed by this bill has forced a reduction of 2,584 of the permanent hospital beds required for the postwar period. Since these beds must eventually be provided by the Government, as a part of a sound postwar hospital program, no economy is seen in eliminating these projects at this time.

Mr. CONNALLY. Mr. President, I do not want to take up more of the time of the Senate, because it may be futile—it probably is futile—since the well-oiled and well-organized Committee on Appropriations is against any change in what they have done. But, Mr. President, this conduct will not be approved by those who want adequate hospitalization facilities for the wounded and the maimed and the sick boys who are coming back from the Pacific Ocean. That is where the chief burden is going to be. Admiral McIntire told me in so many words that they needed these facilities for the hospitalization and care of men from the Pacific area. Mr. President, this cut-back will eliminate two hospitals in which I am primarily interested. I am interested in all of them, but two are located in my own State and if I do not look after them I should feel derelict in my duty.

I do not know what the fortunes of this effort will be, Mr. President; I am afraid it will be very ineffective; but I desire now to serve notice on the Appropriations Committee that when the regular bill for 1946 comes along I shall make a superhuman effort to restore these items to that bill. I hope Senators will read the testimony of Surgeon General McIntire in the RECORD. If they do they will be convinced that these reductions in appropriations for Navy hospitals should not take place.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 34, beginning with line 6.

Mr. CONNALLY. Mr. President, because of the attitude of the Senator from Massachusetts [Mr. WALSH], whose judgment I always regard highly, and who, as I understand, thinks that any effort now made to change these figures by amendment or otherwise, if it should result in an adverse vote, would in the long run operate to our disadvantage—

Mr. WALSH. That is my judgment.

Mr. CONNALLY. I shall not offer a specific amendment to increase the

amount, but I am serving notice now that if I know how to do it I shall cooperate with other Senators and form a little guerrilla band, if necessary, to see to it that the Committee on Appropriations pays some attention to the needs of wounded sailors and soldiers who want to be housed in permanent structures rather than in old discarded Army installations.

Mr. WALSH. I might add that there are few Members in the Chamber, and if a quorum were called and the vote cast it would be a vote cast without any knowledge of the discussion which has taken place.

Mr. CONNALLY. They would rush in.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. MAYBANK. I want to say that I thoroughly agree with what the distinguished Senator from Massachusetts has said, and I shall certainly join him and appear before the conference committee in the hope that the House provision may be adopted.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CHAVEZ. I agree with what the Senator from Texas has said respecting the care of wounded soldiers and sailors. Everyone who is familiar with the record of the Committee on Appropriations must know that that committee is trying to and has aken care of wounded soldiers and sailors. I believe that if the record were known it would be found that the Committee on Appropriations has less to do with wounded soldiers and sailors and even dead soldiers and sailors than probably some other committees of the Senate.

Mr. MOORE. Mr. President, I am not a member of the Appropriations Committee, and have given very little study to the question of location of hospitals. I heard the Senator from Texas speaking about the location of a hospital at Marlin, Tex., which I understand is a rather small town. Is that correct?

Mr. CONNALLY. That is correct.

Mr. MOORE. In the matter of the location of hospitals I have frequently heard the suggestion made that they should be located in or near large towns. The suggestion was especially impressed on me by a situation in Oklahoma. In Okmulgee, Okla., which is what might be called a county-seat town, a hospital has been built which may now be regarded as a temporary hospital, but my information is that it is a good hospital. A move has been made to build a new hospital. The hospital at Okmulgee cost about \$5,000,000, and I have never been furnished with proof that it is not ample for the Veterans' Administration. I believe that the Veterans' Administration has recommended a hospital 100 miles away, at Oklahoma City, which is a large town. One of the reasons assigned was that the facilities in a large town were so much superior to those in a small town that it would be advantageous to build veterans hospitals in the larger towns. That is the reason why I was impressed by what the Senator said about his desire to have a hospital built at Marlin, Tex.



Mr. CONNALLY. Admiral McIntire of the Navy wanted to use the hospital at Marlin, Tex., particularly for the treatment of rheumatic and arthritic patients. The town is famous as a health resort.

Mr. MOORE. Would that reason outweigh the alleged advantages of building hospitals in larger towns?

Mr. CONNALLY. I do not subscribe to that doctrine. As I understand, that is the view of the Veterans' Administration. I am not authorized to speak for the Veterans' Administration, but I understand that General Bradley and his administration wish to locate veterans' hospitals near large cities.

Mr. MOORE. That is my understanding.

Mr. CONNALLY. That is fine for those who operate them.

Mr. MOORE. As I understand, the Senator does not agree with that doctrine?

Mr. CONNALLY. I do not agree with it. I do not believe that the wishes of the cities ought to have a great deal of influence in the location of hospitals. The superintendents, doctors, and officers who operate the hospitals may like to be close to a large city; but there are not many of the hospital patients who can get out on the boulevards. They must remain in the hospitals. So I do not agree with that philosophy.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 34, beginning in line 6. [Putting the question.] The Chair is in doubt.

On a division the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 34, line 18, after the numerals "1946", to strike out "\$1,481,300,000" and insert "\$1,324,691,800"; in line 22, after the word "to", to strike out "\$135,765,200" and insert "\$128,116,900"; in line 25, after the figures "\$44,934,000", to insert the word "and"; on page 35, line 2, after the word "to", to strike out "\$758,050,800" and insert "\$835,050,800"; in line 3, after the amendment just above stated, to strike out "and (4) continuing experiments and developmental work, and so forth, from '\$81,272,500' to '\$61,000,000' and insert 'the subappropriation 'continuing experiments and development work, and so forth,' is hereby increased from '\$81,272,500' to '\$148,256,500'."

The amendment was agreed to.

The next amendment was on page 35, line 12, after the numerals "1944", to strike out "\$41,321,480" and insert "\$40,521,430."

The amendment was agreed to.

The next amendment was on page 36, line 5, after the numerals "1946", to strike out "\$310,000,000" and insert "\$307,750,000."

The amendment was agreed to.

The next amendment was on page 36, line 17, after the word "vessels", to insert "except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of five advanced type combatant vessels and 17 minor craft."

The amendment was agreed to.

The next amendment was, under the subhead "General provisions," on page 41, after line 19, to strike out:

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind during the fiscal year ending June 30, 1946, one service blue uniform and overcoat to each enlisted man in the naval service upon return to the United States from sea and foreign shore duty upon the sworn statement of such enlisted man that he was prevented, by competent naval authority, from taking such articles of clothing with his person at the time of his assignment to sea and foreign shore duty: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund.

And in lieu thereof to insert the following:

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

The amendment was agreed to.

The next amendment was, on page 42, after line 22, to insert:

Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.

The amendment was agreed to.

The next amendment was, at the top of page 43, to insert:

The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Naval Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.

The amendment was agreed to.

The next amendment was, on page 43, line 24, after "In all, title III", to

strike out "\$14,604,721,830" and insert "\$14,309,609,614."

The amendment was agreed to.

The next amendment was, under the subhead "General provision," on page 44, after line 7, to insert the following:

Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial flights in order to continue his fitness for his primary technical skill: *Provided further*, That in addition, on or before January 1, annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the 6-month period preceding the date of the report: *Provided further*, That the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

Mr. McKELLAR. Mr. President, at the request of the Senator from Louisiana [Mr. OVERTON] who is ill, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee on behalf of the Senator from Louisiana to the committee amendment will be stated.

The CHIEF CLERK. On page 44, at the beginning of line 8, in the committee amendment, it is proposed to strike out the word "Effective" and insert in lieu thereof the following:

The appropriations contained in the 1946 War and Navy Department Appropriation Acts shall be available for increased pay for making aerial flights by flying or nonflying officers at rates as follows:

"Nonflying officers, \$720 per annum.

"Flying officers, not in parachute jumping or glider-pay status, who are required by orders of competent authority to participate in regular and frequent flights as an essential part of their military duty and training, shall receive an increased 50 percent of their pay when in consequence of such orders they participate in such flights: *Provided*, That such increase shall not exceed \$125 per month: *Provided further*, That effective —."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR] on behalf of the Senator from Louisiana [Mr. OVERTON] to the committee amendment on page 44, line 8.

Mr. McKELLAR. Mr. President, I should like to make a brief explanation of the amendment. The Senator from Wyoming [Mr. O'MAHONEY] wished to be heard on it, and I have sent for him.

It seems that a large number of officers in the Army and Navy have had increased air-service pay of 50 percent. In the case of a high-ranking officer in the Army or Navy—for illustration, one



who receives a salary of \$8,000 a year—if he was engaged in flying service during the war his salary was increased to \$12,000 a year, or an increase of 50 percent. That was under authority of law at the time, but it was supposed to be only for the duration of the war.

Since the end of the war, under some regulation an officer can increase his salary by going in the air 4 hours a month. Complaint was made to the committee by those interested in both the Army and Navy that that was not intended to be a part of the law. It was not intended that by simply going in the air and flying to Chicago and return, or to New York and return, or remaining in the air in any way for 4 hours, an officer should receive an increase in salary of 50 percent.

The committee came to the conclusion that it was unfair and unjust for officers to increase their salaries in this manner. Both flying officers and nonflying officers were able to take advantage of the increase. However, nonflying officers were limited by law to an increase of \$720. Therefore, this amendment after leaving the increased pay of nonflying officers, of that kind, including doctors and officers at \$720 per annum, provides as follows:

Flying officers, not in parachute jumping or glider-pay status, who are required by orders of competent authority to participate in regular and frequent flights as an essential part of their military duty and training, shall receive an increase of 50 percent of their pay when in consequence of such orders they participate in such flights: *Provided*, That such increase shall not exceed \$125 per month.

That simply means that officers who fly the required amount of time shall not receive more than \$1,500 a year additional pay. Many of us thought that 50 percent was too much. I believe that this amendment ought to be agreed to. That is why I am offering it in the the absence of the Senator from Louisiana.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WALSH. Does not the limitation of \$1,500 affect only officers in the higher ranks, and not those in the lower ranks?

Mr. McKELLAR. That is true.

Mr. WALSH. So that those in the lower ranks would receive the 50 percent increase when they engaged in flying.

Mr. McKELLAR. That is true. The amendment would affect only the higher-ranking officers. Some of the high-ranking officers increase their salaries by 50 percent merely by flying 4 hours a month. Some of us thought that that ought not to be done, and for that reason the Senator from Louisiana submitted his amendment. I approve the amendment, and I believe that it should be adopted. I hope the Senate will accept it.

A few moments ago the Senator from Wyoming [Mr. O'MAHONEY] stated that he wished to be heard in opposition to the amendment. I see that he is now in the Chamber, and I now yield the floor so that he may discuss it.

Mr. O'MAHONEY. Mr. President, the Senator from Tennessee was very kind to

give notice to the Senate of my desire to be heard.

First, Mr. President, I send to the desk a letter which I have received from the Secretary of War, and ask that it be read.

The PRESIDING OFFICER. Without objection, the letter will be read.

The legislative clerk read as follows:

WAR DEPARTMENT,  
Washington, D. C., November 19, 1945.  
Hon. JOSEPH C. O'MAHONEY,  
United States Senate,  
Washington, D. C.

DEAR SENATOR O'MAHONEY: In response to your request of me concerning the effect of an amendment to the First Supplemental Surplus Appropriation Rescission Act, 1946, which was introduced by Senator OVERTON on November 16, 1945, the following information is submitted:

The amendment offered by Senator OVERTON, as printed in the CONGRESSIONAL RECORD November 16, 1945, reads as follows:

"On page 44, line 8, strike out the word 'Effective' and insert in lieu thereof the following: 'The appropriations contained in the 1946 War and Navy Departments Appropriation Acts shall be available for increased pay for making aerial flights by flying or nonflying officers at rates as follows:

"Nonflying officers, \$720 per annum."

"Flying officers, not in parachute jumping or glider pay status, who are required by orders of competent authority to participate in regular and frequent flights as an essential part of their military duty and training, shall receive an increase of 50 percent of their pay when in consequence of such orders they participate in such flights: *Provided*, That such increase shall not exceed \$125 per month."

The amendment does not affect the pay of nonflying officers. It does, however, place a maximum limitation of \$125 per month (\$1,500 per year) on the extra compensation received by flying officers. The amendment, therefore, affects the pay of all officers authorized to receive flight pay who are above the rank of major in the Army and Marine Corps, and lieutenant commander in the Navy.

A small percentage of officers in the grade of major would also be affected. The following tabulation shows the approximate number of Army officers presently authorized to receive flight pay:

Generals of the Army (5-star)-----	1
Generals (4-star)-----	4
Lieutenant generals (3-star)-----	13
Major generals (2-star)-----	72
Brigadier generals (1-star)-----	200
Colonels-----	3,000
Lieutenant colonels-----	6,000
Majors-----	10,000
Captains-----	24,000
First lieutenants-----	55,000
Second lieutenants-----	45,000

Of the above officers, as closely as can be estimated at this time, the following would be affected by the proposed amendment:

Generals of the Army (5-star)-----	1
Generals (4-star)-----	4
Lieutenant generals (3-star)-----	13
Major generals (2-star)-----	72
Brigadier generals (1-star)-----	200
Colonels-----	3,000
Lieutenant colonels-----	6,000
Majors-----	1,700

Sincerely yours,

ROBERT P. PATTERSON,  
Secretary of War.

Mr. O'MAHONEY. Mr. President, without reading it, I ask unanimous consent to have printed at this point in the RECORD a letter which I received from Assistant Secretary of the Navy John L.

Sullivan, transmitting a copy of a letter which was addressed to the acting chairman of the Appropriations Committee by Secretary Forrestal.

There being no objection, the letter and attached copy of letter were ordered to be printed in the RECORD, as follows:

THE ASSISTANT SECRETARY  
OF THE NAVY FOR AIR,  
Washington, November 15, 1945.  
Hon. JOSEPH C. O'MAHONEY,  
United States Senate.

MY DEAR SENATOR O'MAHONEY: For your information, I am enclosing a copy of a letter of 10 November from the Secretary of the Navy addressed to Senator McKELLAR.

I would like to express to you my concurrence with the statement made by Secretary Forrestal to the effect that no changes should be made in the pay schedules now in effect, including flight pay, except after a thorough study.

The amendment to the rescission bill which has been passed by the Senate Appropriations Committee will provide for that study, and the Navy will submit to the Congress by 3 January 1946 a full study with respect not only to flight pay but, further, with regard to the pay structure of the Navy as a whole.

I feel very strongly that the Navy should have this opportunity of presenting the results of a thorough study to the Congress before any action is taken which would reduce the pay of a limited group of personnel.

Sincerely yours,

JOHN L. SULLIVAN.

NOVEMBER 10, 1945.

Hon. KENNETH McKELLAR,  
Senate Appropriations Committee.

MY DEAR SENATOR: With regard to the attached proposed amendment to the rescission bill now under consideration by your committee, it is my considered opinion that the whole matter of the pay structure of the armed services is a subject which should receive the early attention of the Congress. The armed services are now operating under the basic structural provisions of the 1908 pay bill, as modified by the 1922 Pay Readjustment Act. No changes should be made in the pay schedules now in effect, including flight pay, except after a thorough study. The opinion of personnel of all ranks and ratings of all services concerned should be obtained and considered.

The proposed amendment would, without mature deliberation, reduce the pay of a large number of naval aviators whose services in the recent war contributed so greatly to that war. This reduction in pay would not be in accord with the apparent policy of the administration toward increasing compensation of Government personnel.

The proposed amendment would, in my opinion, adversely affect the existing high morale of naval aviation. It would, I fear, most seriously react against the efforts of the Navy to induce large numbers of experienced naval aviators of the Naval Reserve to transfer to the Regular Navy. I believe it is hardly necessary for me to point out to you the serious consequences which would result if we now lose the services of this excellent group of young combat experienced aviators.

For the above reasons I am strongly opposed to the proposed amendment.

Sincerely yours,

JAMES FORRESTAL.

Mr. O'MAHONEY. Mr. President, I shall be content to say that the Appropriations Committee considered this matter at length; and, being of the opinion that it would be altogether improper at this time to legislate such a far-reaching change in the schedules of aviation pay in both the Army and the



Navy, the committee rejected an amendment which was substantially the same as the one now offered by the distinguished Senator from Tennessee on behalf of the able Senator from Louisiana.

Mr. HILL. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. I yield.

Mr. HILL. The distinguished Senator from Wyoming has requested that a letter from the Assistant Secretary of the Navy, Mr. Sullivan, together with a copy of a letter from Secretary Forrestal, be printed in the RECORD, I believe.

Mr. O'MAHONEY. That is correct.

Mr. HILL. I wonder whether the Senator will permit me to read an excerpt from the letter of the Assistant Secretary of the Navy, Mr. Sullivan, because it is so succinctly stated.

Mr. O'MAHONEY. I shall be very happy to have the Senator do so.

Mr. HILL. The letter is under date of November 15, 1945, and it contains the following statement, among others:

I would like to express to you my concurrence with the statement made by Secretary Forrestal to the effect that no changes should be made in the pay schedules now in effect, including flight pay, except after a thorough study.

Mr. O'MAHONEY. I thank the Senator.

A majority of the Committee on Appropriations was of the opinion, of course, that the door should be closed against any abuse of the present provisions for extra pay for flight. Therefore, the committee has reported to the Senate the amendment which appears on page 44, beginning in line 8.

Suffice it to say that this amendment requires the Secretary of War and the Secretary of the Navy, respectively, to certify as to the essentiality of any flights which may be taken by officers in the respective Departments, before they shall be entitled to the extra pay. It also requires these Departments to make a report to the Congress in January 1946 covering the whole subject of the aviation-pay structure.

So, Mr. President, with that report before us, the Congress then will be in a position to act with information, without haste, and in a manner designed to preserve the best interests of the flying services.

Actually, Mr. President, this is a matter of legislation, and it should come from the respective legislative committees having to do with the affairs of the services. To me, the most important aspect of the matter, however, is that during the war the aviation services of both the Army and the Navy rendered heroic service to the country. The exploits of those two flying services have never been excelled in any combat service. Now that demobilization is upon us, however, the sad fact is that the personnel of both these services is beginning to disappear. Testimony before our committee from General Arnold indicated that the rate of accidents in the Air Corps is rising. Skilled and able personnel are retiring into private life. No one can doubt how important it is, not only to the United States but to the whole world, that the Air Corps of both the Army and the Navy shall be maintained

at a high level of morale in this period. No one doubts that the maintenance of peace in the world will depend upon the existence of an efficient and effective air force in the armed services of the United States.

Mr. President, these aviators, of high degree or low degree, during the war received compensation upon a schedule to which the Congress had given its complete approval. To undertake now, in this summary manner, without a constructive study of the situation, to cut the compensation of these fliers would, it seems to me, clearly undermine the morale of both services. We are saying to this branch, and to this branch alone, "You must now accept a severe reduction in your compensation."

It is not a matter of dealing with a few officers at the top. It is a matter of dealing with thousands of officers. The letter of the Secretary of War, Mr. Patterson, clearly indicates that 1,700 majors, 6,000 lieutenant colonels, 3,000 colonels, and 200 brigadier generals will be affected. To them, if the Senate should adopt the amendment, the Senate would be saying "Despite your services in this war, and although you have not had an opportunity to tell your story to a committee of the Senate, we are now undertaking to cut your compensation"—and this in the face of the fact that the action of the committee has been sufficiently clear to close the door to any abuse of this excess pay and to call upon both the Army and the Navy to present to the Congress a full study of the whole matter. Surely, Mr. President, the Senate will not wish to undertake to make this radical departure in such a hasty and such a premature manner as would be the case if this amendment were adopted.

The Committee on Appropriations, after having heard what evidence was presented, decided against the amendment. The committee heard personally from Judge Patterson, who appeared before us. Secretary Forrestal sent a letter to the committee. An effort was made to have Secretary Forrestal come before the committee at the same time Judge Patterson appeared there, but such short notice was given that the clerks of the committee were unable to reach Secretary Forrestal in time. Secretary Patterson appeared before the committee, having received the message only that morning. His statement to the Committee on Appropriations was simply this:

Do not act hastily. Give the War Department an opportunity to examine this matter. The War Department will cooperate. The War Department will do its part to prevent abuse. But it does not want to see the morale of the Air Force impaired by hasty action.

The War Department will cooperate. The War Department will do its part in order to prevent abuse, but it does not want to see the morale of the Air Forces impaired by hasty action.

That, Mr. President, is the story. It was sufficient to convince the majority of the members of the committee, and I believe it should be sufficient to convince the majority of the Members of the Senate that the committee was right in rejecting the proposal.

Mr. HILL. The distinguished Senator has quoted Secretary of War Patterson. I should like to quote a brief paragraph from a letter from the Secretary of the Navy, Mr. Forrestal. The letter, which is addressed to the chairman of the Senate Appropriations Committee, states in part as follows:

The proposed amendment would, without mature deliberations, reduce the pay of a large number of naval aviators whose services in the recent war contributed so greatly to that war. This reduction in pay would not be in accord with the apparent policy of the administration toward increasing compensation of Government personnel.

The proposed amendment would, in my opinion, adversely affect the existing high morale of naval aviation. It would, I fear, most seriously react against the efforts of the Navy to induce large numbers of experienced naval aviators of the Naval Reserve to transfer to the Regular Navy. I believe it is hardly necessary for me to point out to you the serious consequences which would result if we now lose the services of this excellent group of young combat experienced aviators.

That is the opinion of the Secretary of the Navy, Mr. Forrestal.

The Assistant Secretary of the Navy for Air, Mr. Sullivan, also wrote a letter which he closed with the following statement:

I feel very strongly that the Navy should have this opportunity of presenting the results of a thorough study to the Congress before any action is taken which would reduce the pay of a limited group of personnel.

As the distinguished Senator from Wyoming has pointed out, the committee amendment provides for the study to which reference has been made. Not only that but it even fixes a limitation. It provides that the Secretary of War and the Secretary of the Navy shall make reports to Congress on or before January 3, 1946. That is hardly 45 days from now. It provides also that they shall furnish to the Congress a list of names of men in the Army above the rank of major, and in the Navy above the rank of lieutenant commander, who draw extra flight compensation.

Without having had an opportunity to obtain necessary information the Senate should not hastily this afternoon act upon the matter. We should do what the committee recommends in its amendment be done, namely, obtain the information, and then we will be in a position intelligently to act.

Mr. O'MAHONEY. Mr. President, I thank the Senator from Alabama.

There is now pending on the calendar a bill which was reported from the Civil Service Committee, raising the pay of civil officers and employees of the Federal Government. It would be strange, indeed, in the face of an appeal such as the Senator from Alabama has quoted from the Secretary of War and the Secretary of the Navy, for the Senate to undertake to say that the compensation of flying officers should be summarily reduced.

Mr. O'MAHONEY subsequently said: Mr. President, I ask unanimous consent that a memorandum in justification of flying pay be printed in the RECORD at the conclusion of my remarks with reference to the amendment which was con-



sidered by the Senate a few moments ago.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

#### JUSTIFICATION OF FLYING PAY

1. The necessity for recognizing the hazards of military flying has been accepted by all nations since the initial development of military aviation.

2. Congress first authorized flying pay in 1913 because of the hazardous nature of flying. The National Defense Act of 1920 and the Pay Readjustment Act of 1922 provided 50 percent extra flying pay for those who participate in regular and frequent flights.

3. In 1939 a special board consisting predominantly of nonflying officers appointed by the War Department to study the flying pay problem made a careful investigation into all aspects of military flying hazard and justification of flying pay. I quote from their report (p. 14): "Adverse criticism has been heard of the principle of paying military personnel for flying duty. In view of this criticism the board has reinvestigated

the subject carefully and in detail. This investigation has shown that this criticism is unjustified. It has been demonstrated conclusively that any flying involves a hazard above that incurred in routine military duties which do not involve flying, and the board is further convinced that continual flying jeopardizes the mental and physical well-being of the average man. Further, the board believes that the experiences of the past 20 years indicate that the average useful service life of the flying officer will be markedly shorter than the service life of the officer on nonflying duties, due to the necessity for youthful physical and mental alertness and stamina demanded by the operations of modern airplanes in military flying. The increased hazards and expectancy of a shorter service life fully justify extra compensation to the men who subject themselves to the risks incident to flying."

4. The facts presently on hand indicate that the hazards of military flying are as prevalent today as they were in 1938. The following figures and fatality rates were computed from records available in the Office of the Air Surgeon:

TABLE I.—Death rates per 1,000 per annum 1944, continental United States, flying versus nonflying personnel

	Number	Aircraft accident		Other than aircraft accident		Total	
		Number	Rate	Number	Rate	Number	Rate
Flying personnel.....	235,242	4,207	17.9	220	0.9	4,427	18.8
Nonflying personnel.....	1,134,265	227	.2	516	.4	743	.6
Total.....	1,369,507	4,434	3.2	736	.6	5,170	3.8

The greatest number of deaths in the Army Air Forces is among flying personnel and the greatest single cause is aircraft accident. The death rate among flying personnel in aircraft accidents (17.9) is approximately 30 times the death rate among nonflying personnel due to all causes.

TABLE II.—Fatality rates—Flying personnel  
(Rate per 1,000 per annum)

Year:	Rate
1932.....	17
1934.....	16
1936.....	20
1938.....	14
1944.....	18

Notice the rate of fatalities per 1,000 flying personnel per annum in 1944 is greater than in 1938, 1934, or 1932. At the same time the fatalities per hours flown in 1938 were 1 per 15,553 hours of flight as compared to the rate in 1944 which was 1 per 8,000 plus hours of flight.

5. The following comparisons of life expectancy between flying and nonflying officers were made from a study by the Office of the Air Surgeon:

Average expectation of life of men at age 20	Years
Regular Army officers, nonflying.....	49.3
General United States population, white males.....	46.0
Rated observers, Regular Army officers.....	43.4
Pilots, Regular Army officers.....	37.2

Pilots may expect 12 years less of life than nonflying Regular Army officers. Rated observers may expect 6 years less of life than nonflying Regular Army officers.

Pilots at the age of 20 may not expect to live any longer than other officers at the age of 32.

One out of every four pilots will die before his thirty-ninth birthday.

6. Insurance companies are exhibiting new interest in writing aviation insurance. However, only one company—Travelers—have announced their rates—\$12 per year per \$1,000 in addition to normal rate—same as

before war. Some companies are writing some at lower rates but until the military aviation risk tables are backed up by facts they are doing so only on a tentative basis and are not publishing their rates. It is the opinion of our life insurance contact—Colonel Grayson of Personal Affairs Branch—that most companies will go back to old rates for military aviators as soon as risk tables, based on the facts, are worked out. There is an indication that lower rates might be available, for bombardiers, navigators, and flight surgeons.

7. It can be seen that in spite of great advances in military aircraft design and vigorous safety measures within the Air Force during the past 10 years the accident rate has not decreased. This is not comparable with the records of commercial air lines for many reasons. In the first place, performance is inimical to safety factors in aircraft design. The exigencies of aerial combat has forced the Air Forces to utilize the advancement in aircraft construction to increase combat performance rather than to use this advancement to increase aircraft safety factors. The necessity for minimizing losses in combat while maintaining military effectiveness establishes the balance between design performance and design safety factors. Military flying as a type in itself is more hazardous than normal flying. The introductions of new aircraft operated under hazardous weather and terrain conditions tend to maintain the hazard of military flying compared to the routine, constantly repetitious route flying of commercial air lines.

8. Flying pay as compensation for extra hazard inherent to military flying is as necessary today as it has been in the past. Until further developments alter the conditions in the interest of a strong Air Force there should be no change in the basic principle of flying pay.

Mr. MAYBANK. Mr. President, I wish to emphasize the point which the

Senator from Alabama has made in reading from letters which were written by the Secretary and the Assistant Secretary of the Navy. I remind Senators that there is a bill before the Congress to increase the number of officers in the Regular Army. We were told that approximately 4,000 Regular officers would be taken into the Air Force, and that the Air Force of the Regular Army was in dire need of officers. I think we should not talk about raising the compensation of civil-service employees while at the same time we reduce the pay of officers and men of the armed forces. Of course, I thoroughly agree with the Senate committee amendment, which would prevent any unreasonable request for flight pay on the part of members of the Army and Navy Air Forces, but the amendment we are now considering goes too far, in my judgment, and is not necessary.

Mr. GURNEY. Mr. President, I should like to offer for the RECORD a letter in its entirety from General Arnold dated November 12, 1945. The letter is written on the subject which we are discussing. I ask that the letter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HEADQUARTERS, ARMY AIR FORCES,  
Washington, November 12, 1945.  
Hon. CHAN GURNEY,  
United States Senate.

DEAR SENATOR GURNEY: Having been informed that a proposed amendment is being voted upon by your committee this morning, which will have a disastrous effect on our Army Air Forces, and knowing of your keen interest in the Army Air Forces, I want to place the following facts before you.

The amendment which would reduce the flight pay of Army flying officers to the minimum for a major in the fourth pay period, will have the following effects:

a. It will reduce the pay by more than \$100 a month of all of our air combat leaders in the late war, including a great many of our leading aces.

b. It will destroy the career incentive in the Army Air Forces at the very time when we are making every reasonable effort to induce young Reserve officers of outstanding ability, as demonstrated in the war, to become members of the permanent establishment.

c. It has been clearly demonstrated and on one occasion by an impartial War Department Board, that there is a career hazard in military aviation, and that the flying officer must carry the burden of heavy additional insurance for the protection of his family, if he is to undertake this additional hazard.

It is my considered view that it would be difficult, if not impossible, to suggest a course of action which would have a more disastrous effect on the Army Air Forces than the amendment which is proposed. I believe it will result in destroying the morale of the Army Air Forces in the most critical period in its history.

Sincerely,

H. H. ARNOLD,  
Commanding General, Army Air Forces.

Mr. GURNEY. In his letter General Arnold states that the adoption of the amendment offered by the Senator from Louisiana [Mr. OVERTON] "will destroy the career incentive of the Army Air



Forces at the very time when we are making every reasonable effort to induce young Reserve officers of outstanding ability, as demonstrated in the war, to become members of the permanent establishment."

That statement alludes to the same subject matter which was brought up by the Senator from South Carolina [Mr. MAYBANK]. The Air Forces have great need for experienced men. They need them in the permanent establishment. The need will persist so long as world conditions continue to be in any way threatening to the security of our country.

General Arnold states further:

It is my considered view that it would be difficult, if not impossible, to suggest a course of action which would have a more disastrous effect on the Army Air Forces than the amendment which is proposed. I believe it will result in destroying the morale of the Army Air Forces in the most critical period in its history.

Personally I believe there is some justification for a complete "look-see" at the extra pay being given members of the Army and the Navy, not only for flying but also for service on submarines and gliders, in parachute service, and possibly some of the other services such as the infantry. That would include the infantry medical corps. All such compensation should be adjusted on the basis of equality in both the Army and the Navy. We should not single out one branch, as is being proposed in this amendment.

Mr. HILL. The distinguished Senator from South Dakota is a member of the Appropriations Committee. This very amendment was rejected by the committee, was it not?

Mr. GURNEY. Yes.

Mr. HILL. Of course, the Appropriations Committee acted wisely when it rejected the amendment. There had been no hearings on the matter. No witnesses had come before the committee to advise it with reference to the facts.

Mr. McKELLAR. Mr. President, the Senator is not a member of the committee or surely he would not have made such a statement. The committee heard a great deal of evidence on the subject. If the Senator will examine the hearings he will be in a position to confirm my statement.

Mr. HILL. Will the Senator advise me with reference to the testimony which was given?

Mr. McKELLAR. Here are the headings: "Question as to abuse in payment of flight pay," on page 546; "Flight surgeons," on page 545. A memorandum from General Arnold appears on page 546. The entire matter was gone into before the committee.

Mr. GURNEY. I agree in part with the Senator from Tennessee.

Mr. McKELLAR. The record is before me.

Mr. GURNEY. I think we went into the matter in a haphazard way. We did not consider the entire matter. We did not have an opportunity to question representatives of the War Department and the Navy Department. They did not tell us what they had in mind for the future.

Mr. President, I hope the amendment will not be agreed to.

Mr. HILL. Mr. President, from what I see in examining the hearings, the questions which were propounded were very sketchy in character, and there was no real hearing held upon the subject. Is that not true, in the sense that the Appropriations Committee could have had witnesses appear before it so that the committee could have gone into the matter and heard the complete facts with reference to the situation? Is that not correct?

Mr. GURNEY. When we went into the subject of the pay structure in 1942 with regard to both the Army and the Navy, it took the joint committee of the Army and of the Navy a couple of months to prepare their joint recommendation with reference to equalized pay and just compensation to every man in every branch of the Army and of the Navy. Then the Committee on Military Affairs considered it, hearing witnesses from the Army and Navy. Possibly it took us a matter of a week. Then the Committee on Naval Affairs had the matter before it, and made certain recommendations, and finally the bill was reported, after a period of about 3 months. The question now under discussion was considered in a matter of a few hours.

Mr. HILL. So far as the hearings in the committee were concerned, I would say it would be more a matter of a few minutes than of a few hours, because, as I stated, there has been no real hearing on this subject by the committee. I am sure that was one reason why the committee rejected the amendment.

Mr. McKELLAR. Mr. President, will the Senator from South Dakota yield?

Mr. GURNEY. I yield.

Mr. McKELLAR. I wish to say to the Senator from Alabama that again he is wholly mistaken. The question was raised, and we gave the officials of the Army and Navy time to make a report on the subject. Secretary Patterson came before the committee and testified in substance to what appears here. Only one other question in connection with the bill was considered as carefully as was this one, and that was the question we disposed of a little while ago. That was the only other question which was considered for the same length of time and in the same careful manner.

Mr. GURNEY. Let me say in conclusion, Mr. President, that the amendment, if adopted, will not only be unfair to the Army flying officers who still remain in the service—and in the military service 10,990 will be affected—but I believe it will be notice to all the flying men that this Nation is not as grateful as it should be for the heroic services they have rendered in this war.

The flying services certainly did a great job in hastening the end of the war. In order that my statements may not be misconstrued, I may say that the ground forces were always glad to have air cover in any battle in which they were engaged, they were very grateful for the services rendered by the flying men above them.

Mr. HILL. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. HILL. So far as I can see from the hearings, no one spoke for the Navy. Did anyone speak in reference to the Navy air arm or the marine air arm?

Mr. GURNEY. We had letters, but no actual representative from either the Navy or the Army.

Mr. McKELLAR. Mr. President, I think I should make a statement about this matter. In the first place, I think it would not be very hard to prove that I have been a friend of both the Army and the Navy. The committee gave them every appropriation they requested.

In the next place, I do not believe it would be very difficult to prove that I have been very friendly to aviation. I introduced the first bill providing for carrying mail by airplane. It was passed, and is on the statute books now. I never was more ridiculed in my life, and I do not mind giving some of the names of those who ridiculed me. One was Senator Hardwick, of Georgia; another was Senator King, of Utah; another was Senator Borah, of Idaho. There were a number of other Senators, then Members of this body, who ridiculed me for suggesting that mail could be carried by air. I had encountered very active and vigorous opposition in 1917, when I introduced the first bill to establish a little jerk-water mail-carrying air line between Washington and New York, and was able to get an appropriation of only \$100,000. The next year I got a similar appropriation. The third year I got \$450,000, enough to extend the line to Chicago, and the fourth year, 1920, when the proposal was to extend the line to San Francisco, the real fight came, but I succeeded in my efforts notwithstanding the great opposition I met. I succeeded each time, and carrying mail by air became established by law of the land. It has been a marvelous success, as all flying has been.

I wish to say to the flying officers of both the Army and the Navy, and any others who have flown in this war, that they have rendered a great service. I take off my hat to them. I do not believe any officers ever did a finer job. They rendered greater service than has ever been rendered before. I do not want to see their wonderful work besmirched—I repeat the word, "besmirched"—by anything that may happen in peacetime.

Something has been said about morale. I first learned about this matter from a statement of a very distinguished officer of the Navy, who received a very large salary, but because he made air trips once a month, drew half as much in addition. It hurt me when I heard it, but in a day or two, when I examined into the matter, I found that that officer, when he put his mind on it, was made of the right kind of stuff. He voluntarily took his name off the list.

Why did this great commander of naval ships do a thing like that? Did he feel as if he were hurting the morale of the Navy when he refused to take that which he had inadvertently taken in the beginning? No. All honor to him. He felt that he was increasing the morale of the organization over which he presided by declining to take this pay



in peacetime which had been authorized only for time of war.

Therefore, speaking of morale, here was a man who took advantage of the provision, and it hurt his own morale to such an extent that he declined to continue it. I am not calling his name, but I wish to say that I have a thousand times more respect for him for taking his name off the list.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. GURNEY. Referring to the Senator's remark that this pay was given only during time of the war, I want to have the RECORD show that the first authorized extra flying pay was provided in 1913, given because of the hazardous nature of flying. The National Defense Act of 1920 and the Pay Readjustment Act of 1922 provided 50 percent extra pay for those who participated in flying. That has been continued ever since 1920.

Mr. McKELLAR. Perhaps the Senator is correct that it is in the general law. But I wish to ask the Senator a question. If he were a naval officer above the rank of lieutenant commander, and did not make flying a business, but flew only occasionally, and since the war was over flew merely enough to come within the limit of 4 hours in a month, would he be willing to take pay of this sort?

Mr. GURNEY. Will the Senator yield?

Mr. McKELLAR. Indeed, I do yield. I asked a question, and I shall be glad to yield. The Senator would not do it, I know.

Mr. GURNEY. Let me say to the Senator that this officer, whoever he may be, may have arrived at his high position in command of the flying services, and of other services or branches of the Navy, because of his experience in flying, which had come about through perhaps 30 or 40 years of service. There may be some justification for Uncle Sam paying that officer the extra pay for the knowledge he gained, and the fact that he was able to give wise orders during the war to other men may have been well worth whatever it cost Uncle Sam. If he did not need the pay, as a matter of morale I think I would compliment him if he did not draw the pay, if he did not make any actual, bona fide flights.

Mr. McKELLAR. To gain the extra flying pay does not require bona fide flights. It applies to any flights. The officer merely has to be in the air for so many hours. The amendment does not apply to any of the younger officers, merely to officers above the rank of major in the Army or lieutenant commander in the Navy. If an officer above those ranks goes up and stays 4 hours a month, he increases his salary by 50 percent. I may be wrong, but to my mind I do not think that is fair or just.

Now I wish to say a word about the committee. Ordinarily the Committee on Appropriations is composed of 25 members. Former Senator Burton, who was a member of the committee, is now on the Supreme Court bench, and the vacancy on the committee has not been filled. That leaves 24. I do not think

former Senator Burton was present when this matter was passed on. I think there were only 24 members on the committee then. The vote on the motion of the Senator from South Dakota [Mr. GURNEY] to reject an amendment similar to this was 9 to 8. That was a total of 17 members. The vote to reject was 9, out of a total of 24 members on the committee. It was not a majority of the committee. I do not know what inducement or argument could have been made or offered to change the result one way or the other. If the full membership of the committee were present, the same result might have occurred. I wanted to explain to the Senate that only 17 members of the committee were present and that the vote was 9 to 8.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. O'MAHONEY. I suggest that that is a very strong argument to dissuade the Senate now from voting to overturn the committee.

Mr. McKELLAR. If the Senator always used that argument, we would be in a very bad fix, because most of our bills are passed by what is not a majority. Unfortunately, that is so.

I was present and the Senator from Wyoming was present, and the vote was 9 to 8.

Mr. President, we have heard much said about morale. Let us see about morale. I never was more astonished in my life than when General Arnold testified, and I want to quote his words as to what the proposed action would do to the Army Air Forces. I like him so much that I want to use his exact words. They are as follows:

I have been informed that you have referred to the War Department a proposed amendment to the first supplemental surplus appropriations rescission bill for 1946 which would restrict flight pay which may be paid to the flying officers of the Army Air Forces to that of the minimum of a major in the fourth pay period. This proposed amendment will, in my considered opinion, have the effect of destroying the Army Air Forces in the most critical period of its history.

Listen to that language, Senators. Let me read it again, because this is the language of the head of the Army Air Forces:

This proposed amendment will, in my considered opinion, have the effect of destroying the Army Air Forces in the most critical period of its history.

Is there a Senator on the floor who agrees with General Arnold in that statement?

Mr. GURNEY rose.

Mr. McKELLAR. I count the Senator from South Dakota as one.

Will any other Senator stand up? Does any Senator believe that statement? Of course General Arnold made a mistake about the matter. He is a perfectly truthful man. I am not impugning his truthfulness, but he simply became a little excited about this matter. Listen to the language again:

This proposed amendment will, in my considered opinion, have the effect of destroying the Army Air Forces in the most critical period of its history.

I do not think this is the most critical period in its history, for that matter, but I read that language for the purpose of showing the Senate how excited a man can become when the interests of those under him are concerned. In one way he is to be complimented, and in another way I think he has made a great mistake in giving that advice to the Senate.

Let us see whom the amendment would affect. It would affect one of the generals of the Army. We have five generals of the Army.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. GURNEY. That means it would affect General Arnold, a five-star general. It would affect one five-star general.

Mr. McKELLAR. General Arnold flies all the time. It would not affect him in any way; it would not affect him a particle now, and it might affect him in the future if he continues to fly. That, however, I do not know. It might affect him after he retires. But I do not think it will affect him now in the slightest.

Next, it would affect four generals. I do not know whether they are retired or still in active service.

It would affect 13 lieutenant generals, who would receive pay and one-half for flying 4 hours a month.

It would affect 72 major generals, 200 brigadier generals, 3,000 colonels, 6,000 lieutenant colonels, and 1,700 majors. It would not affect 8,300 majors.

Talk about morale, Mr. President. It would affect only a comparatively few officers. It is perfectly clear that the whole thing arose out of the purpose to increase the salaries of officers who rarely flew; who, indeed, flew merely once a month. It seems to me we ought not to permit such a thing. It seems to me we ought to stop it now. The amendment would not affect at all second lieutenants, of whom there are 45,000. It would not affect first lieutenants, of whom there are 55,000. It would not affect captains, of whom there are 24,000. It would not affect 8,300 majors.

The same is true with respect to the relative classes of officers in the Navy.

Under those circumstances, Senators, I do not see how we would injure the morale of the Army or the Navy by discontinuing a plan under which by flying 4 hours a month the higher ranking officers can secure 50-percent increase in pay. The fact that one admiral who was a flier refused after a short period to accept the increased flight pay, tells the whole story. We could argue the point for a month, but we could never make so good an argument as that. He inadvertently took the increased pay at first, but later refused it. Why? In view of the moral plane on which our Army and Navy operate he felt that he should not take the increased pay. The fact that he did not think he should take it speaks louder than words.

Mr. President, I shall ask for a vote on the amendment. It seems to me that the amendment prepared by the Senator from Louisiana [Mr. OVERTON] should be agreed to. I regret he is not present. I have probably presented the matter



very inadequately because I am perhaps not so familiar with the subject as he is. But I think we will be doing the Army and the Navy the greatest possible injury if we allow the situation to remain as it is.

It is said that we ought not take this action without an investigation being made. Is a matter of this kind subject to being investigated? We know exactly what the situation is. Everyone knows what it is. Are we going to let Army officers who are not regular fliers receive this increase in pay? The proposal would not hurt the regular fliers at all. The general of the Army referred to does not operate a plane. The 4 generals in question do not operate planes. The three lieutenant generals do not operate planes. Neither do the 72 major generals, the 200 brigadier generals, the 3,000 colonels, the 6,000 lieutenant colonels, or the 1,700 majors. So we ought not allow such a condition to continue. I hope the Senate, by approving the amendment, will not permit the condition to continue.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee on behalf of the Senator from Louisiana [Mr. OVERTON] to the committee amendment. [Putting the question.]

Mr. McKELLAR. Mr. President, let us have a standing vote.

On a division, the amendment to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 44, beginning in line 8.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. WALSH. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 28, line 12, it is proposed to insert the following: "Provided further, That of the funds remaining available for advance base construction, material, and equipment, not to exceed \$6,000,000 shall be available toward reconstruction of the civilian economy of Guam."

Mr. WALSH. Mr. President, that is the amendment I have discussed with the Senator from Tennessee.

Mr. McKELLAR. Mr. President, will the Senator make a brief statement about it? I think I should accept it, but I should like the Senator to make a brief statement concerning it.

Mr. WALSH. Mr. President, there have been several bills before the Committee on Naval Affairs relating to Guam. This particular appropriation is the result of an authorization by the Naval Affairs Committee for the building of public buildings in Guam. The bombardment of Guam by American forces in order to drive the Japs out resulted in the destruction of every single solitary public building, including schools, what would correspond to a city hall, the jail, the courthouse, and the post office. This appropriation is to provide funds to be

taken from the advance base construction appropriation and used for erecting the buildings to which I have referred. The original request before the Committee on Naval Affairs was for \$15,000,000, but we felt that the program was too elaborate and expensive, and we reduced the recommendation for authorization to \$6,000,000. It will be necessary to build schools, administration buildings, a jail, a hospital, and, in fact, every building which a community of 22,000 would need for public uses.

Mr. McKELLAR. Mr. President, I believe that this construction should be done, and so far as I am concerned I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. WALSH] on page 34, line 10.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill H. R. 4407, was read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, Mr. GURNEY, and Mr. BALL conferees on the part of the Senate.

#### SUMMARY OF FIFTH QUARTERLY REPORT OF OFFICE OF CONTRACT SETTLEMENT

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that a summary of the Fifth Quarterly Report of the Office of Contract Settlement may be printed in the body of the RECORD. The office of Contract Settlement, which is headed by Mr. Robert H. Hinckley, has been carrying on the utterly tremendous task of settling terminated war contracts. I am sure that the report of a work of such magnitude is of interest to all Members of the Senate. The full text may be obtained, but I think it would be of value to have a summary of the report printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Victory brought mass terminations as was expected. The magnitude of the contract settlement job is now known. We are confident that if everyone continues to do his part it will be speedily and successfully completed.

The surrender of Japan brought termination of 113,000 prime contracts involving \$24,000,000,000 in canceled commitments. On September 30 the total number of prime contracts pending settlement was 103,000 involving canceled commitments of \$37,000,000,000.

Both industry and government are prepared to handle this volume of termina-

tions. Organizations for contract settlement are available and have been supplemented with additional personnel. No major problems of policy and procedure have arisen since VJ-day.

Experience to date has been extensive. Of the 288,000 prime contracts involving \$62,000,000,000 in canceled commitments terminated from the beginning of war production to date, 185,000 involving over \$25,000,000,000 in canceled commitments have been settled.

The immediate goal of the Government is to settle the bulk of the canceled prime contracts by December 31. Progress toward this goal has already been made. During September, 2,900 prime contracts were settled with cost to the Government and 16,700 without cost. The total number settled was more than twice the number settled in August, the previous peak month.

The immediate goal of industry should be to file claims rapidly and to settle canceled subcontracts by the end of the year.

Achievement of these goals by government and industry will complete contract settlement for a large number of war contractors.

The rate of settling canceled commitments averaged \$1,000,000,000 per month during the quarter. The volume of terminations made prior to VE-day was not large enough to support a high settlement rate. Furthermore, with victory over Japan, contract settlement was interrupted in August and early September to place the maximum effort upon the more pressing problems of effecting terminations and reconverting to civilian production.

During the latter part of the quarter, contractors filed an increased volume of claims. If they continue to increase the volume of claims filed, the settlement rate can increase to \$4,000,000,000 or more in canceled commitments per month before January 1.

The soundness of the steps taken in advance of mass terminations has now been demonstrated. Preparation for contract settlement and confidence in policies and procedures have contributed to speedy reconversion.

Quick plant clearance has been possible even with mass terminations. In almost all cases, termination inventories and Government-owned plant equipment are being removed from plants within the 60 days prescribed by the Contract Settlement Act.

Only a small portion of industry's total funds is tied up in canceled contracts. It is estimated that the gross amount owed by government under canceled contracts is less than \$3,500,000,000. The amount of industry's funds actually tied up is considerably less than this, however. Partial payments and T-loans outstanding totaled \$320,000,000. In addition, a large proportion of the \$1,900,000,000 outstanding in other Government-guaranteed loans and in advance payments is now being used to finance terminations rather than war production.

On September 30, the War Department had the equivalent of 22,000 persons engaged in full-time on contract settlement work; the Navy Department had 4,800 persons engaged full-time and 1,900 part time; the Maritime Commission, Reconstruction Finance Corporation, and Treasury Department had a total of 242 assigned full time and about 2,000 persons available for part-time work.

To date, both government and industry have handled contract settlement well. Contractors have expressed their satisfaction. This Office has received few complaints. Only 21 appeals have been filed by contractors with the appeal board of this Office.

This Office expects the continued cooperation of contracting agencies and industry. Such cooperation has been the basis of success in contract settlement to date. It is the same as that which made possible our great war production. Its continuation will bring about complete attainment of the objectives of the Contract Settlement Act.



79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4407

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 20, 1945

Ordered to be printed with the amendments of the Senate numbered

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the appropriations and contractual authorizations of the  
4        departments and agencies available in the fiscal year 1946,  
5        and prior year unreverted appropriations, are hereby reduced  
6        in the sums hereinafter set forth, such sums to be carried to  
7        the surplus fund and covered into the Treasury immediately  
8        upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
 2 DENT, INDEPENDENT OFFICES, AND EXECU-  
 3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT  
 5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, ~~(1)\$5,226,461~~ \$3,437,042,  
 8 and limitations under this head are hereby decreased as  
 9 follows: (1) Travel within continental United States  
 10 from “\$234,000” to “~~(2)\$150,000~~ \$190,000”, (2) re-  
 11 imbursement to employees for emergency or extraordi-  
 12 nary expenses from “\$75,000” to “~~(3)\$40,000~~  
 13 \$50,000”, and (3) expenses of a confidential character  
 14 from “\$1,200,000” to “~~(4)\$25,000~~ \$100,000”.

15 Penalty mail costs, \$12,440.

16 National War Labor Board:

17 Salaries and expenses, \$1,566,500.

18 Office of Defense Transportation:

19 Salaries and expenses, \$3,075,000, and limitations  
 20 under this head are hereby decreased as follows: (1)  
 21 Traveling expenses from “\$452,500” to “\$150,000”,  
 22 (2) printing and binding from “\$47,500” to “\$14,000”  
 23 (of which the amount available outside continental

United States is decreased from “\$1,800” to “\$500”).  
 and (3) penalty mail costs from “\$118,900” to  
 “\$53,000”.

#### Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations  
 under this head are hereby decreased as follows: (1)  
 Penalty mail costs from “\$2,250” to “\$1,500”, (2)  
 traveling expenses from “\$4,500” to “\$4,000”, and  
 (3) printing and binding from “\$2,000” to “\$1,600”.

#### Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

#### Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

#### Office of War Information:

Salaries and expenses, ~~(5)\$10,662,558~~ \$5,662,558,  
 and limitations under this head are hereby decreased as  
 follows: (1) Temporary employment in the United  
 States by contract or otherwise without regard to the  
 civil service and classification laws from “\$45,800” to  
 “~~(6)\$25,000~~ \$30,000”, (2) travel within continental  
 United States from “\$267,500” to “~~(7)\$230,000~~  
 \$240,000”, (3) printing and binding within continental  
 United States from “\$1,000,000” to “~~(8)\$550,000~~



1       \$600,000", and (4) to meet emergencies of a con-  
2       fidential character from "\$250,000" to "~~(9)~~\$40,000  
3       \$50,000".

4       War Manpower Commission:

5             General administration, \$71,194.

6             Apprentice training service (national defense),  
7       \$131,500, and the balance to remain available until  
8       December 31, 1945.

9             Training Within Industry Service (national de-  
10       fense), \$125,000, and the balance to remain available  
11       until December 31, 1945.

12            Migration of workers, \$479,000.

13       War Production Board:

14            Salaries and expenses, \$10,000,000, and limitations  
15       under this head are hereby decreased as follows: (1)  
16       travel expenses from "\$1,944,000" to "\$954,000",  
17       (2) penalty mail costs from "\$210,000" to  
18       "\$105,000", (3) printing and binding from "\$648,-  
19       000" to "\$346,000", and (4) salary of the head of the  
20       agency from "\$15,000" to "\$12,000", except that so  
21       long as the position is held by the present incumbent  
22       the salary shall remain at \$15,000.

23       War Shipping Administration:

24            Revolving fund, \$195,452,000.

25            Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund,  
\$91,000,000.

Office of Censorship: Salaries and expenses, \$8,200,000.

Office of Price Administration:

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000".

Office of Strategic Services:

Salaries and expenses, ~~(10)\$11,500,000~~ \$9,500,000, and limitations under this head are hereby decreased as follows: (1) expenditures without regard to provisions of law and regulations from "\$10,500,000" to "~~(11)\$2,000,000~~ \$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "~~(12)\$1,750,000~~ \$2,750,000".

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

1 In all, Office for Emergency Management, ~~(13)~~\$447,-  
 2 ~~886,225~~ \$439,096,806.

3 EMERGENCY FUNDS APPROPRIATED TO THE  
 4 PRESIDENT

5 Emergency fund for the President, national defense,  
 6 \$45,000,000.

7 Defense aid—lend-lease:

8 (1) Ordnance and ordnance stores, supplies, spare parts,  
 9 and materials, \$57,990,000.

10 (2) Aircraft and aeronautical material, \$85,705,000.

11 (3) Tanks, armored cars, automobiles, trucks, and other  
 12 automotive vehicles, spare parts, and accessories, \$24,-  
 13 461,000.

14 (4) Vessels, ships, boats, and other watercraft, \$76,-  
 15 080,000.

16 (5) Miscellaneous military equipment, supplies and  
 17 materials, \$8,963,000.

18 (6) Facilities and equipment for the manufacture or  
 19 production of defense articles, by construction or acquisition,  
 20 \$17,937,000.

21 (7) Agricultural, industrial, and other commodities  
 22 and articles, \$1,351,216,000, and the \$500,000,000 made  
 23 available by title II of the Second Deficiency Appropriation  
 24 Act, 1945, as a reserve for expenditure for postwar price  
 25 support of agriculture shall be paid to the Commodity Credit



1 Corporation and continued as a reserve fund for expendi-  
 2 ture, as and when necessary, for the postwar price support  
 3 of agriculture.

4 (7b) For testing, inspecting, proving, repairing, out-  
 5 fitting, reconditioning, or otherwise placing in good work-  
 6 ing order any defense articles for the government of any  
 7 country whose defense the President deems vital to the  
 8 defense of the United States, \$73,266,000.

9 (7d) For necessary services and expenses for carrying  
 10 out the purposes of such Act not specified or included in  
 11 the foregoing, \$43,943,000.

12 In all, emergency funds appropriated to the President,  
 13 \$1,784,561,000.

#### 14 INDEPENDENT OFFICES

15 Civil Service Commission: Salaries and expenses, Civil  
 16 Service Commission (national defense), \$2,032,000.

17 Employees' Compensation Commission: Employees'  
 18 compensation fund, \$1,761,644.

19 ~~(14) Federal Communications Commission: Salaries and ex-~~  
 20 ~~penses, Federal Communications Commission (national de-~~  
 21 ~~fense), \$930,000.~~

22 Federal Power Commission: National defense activities,  
 23 \$17,628.

24 National Advisory Committee for Aeronautics: Advisory  
 25 Committee for Aeronautics, \$2,000,000.

1        Selective Service System: Salaries and expenses, \$2,-  
2    957,500.

3        United States Maritime Commission: Construction fund,  
4    Act June 29, 1936, revolving fund, \$496,500,000.

5                                FEDERAL SECURITY AGENCY

6        Public Health Service:

7            Health and sanitation activities, war and defense  
8        areas (national defense), \$392,568.

9            Malaria and diseases of tropical origin (national de-  
10       fense), \$1,862,501.

11           Training for nurses (national defense), \$15,557,000,  
12        and the limitation on the amount which may be expended  
13        for administrative expenses is hereby decreased from  
14        "\$788,255" to "\$611,322".

15                                (15) SOCIAL SECURITY BOARD

16        There is appropriated, out of any money in the Treasury  
17        not otherwise appropriated, for the fiscal year ending June  
18        30, 1946, for grants to States for administration of unem-  
19        ployment compensation and employment service facilities  
20        operated in conjunction therewith, as authorized in title III  
21        of the Social Security Act, approved August 14, 1935, as  
22        amended, \$30,000,000, which shall be in addition to the  
23        amounts appropriated for such purposes in title II of the  
24        Labor-Federal Security Appropriation Act, 1946.

## FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

## NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia. \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Admin-



1    istrator from the disposition of property, or from the removal  
2    of temporary housing, acquired or constructed under the  
3    provisions of this Act, of Public Laws Numbered 9. 73, and  
4    353, Seventy-seventh Congress, and of section 201 of the  
5    Second Supplemental National Defense Appropriation Act,  
6    1941, as amended, shall be available for expenses of disposi-  
7    tion and removal, including the establishment of necessary  
8    reserves therefor and administrative expenses in connection  
9    therewith: *Provided*, That moneys derived by said Admin-  
10    istrator from the disposition of any such property or the re-  
11    moval of any such temporary housing may be deposited in a  
12    common fund account or accounts in the Treasury: *And pro-*  
13    *vided further*, That except for necessary reserves authorized  
14    by this Act or by section 201 of the Second Supplemental  
15    National Defense Appropriation Act, 1941, as amended, the  
16    unobligated balances of the moneys deposited into the Treas-  
17    ury from the disposition of any such property or the removal  
18    of any such temporary housing shall be covered at the end of  
19    each fiscal year into miscellaneous receipts.

20       “(c) Moneys in the reserve account established by the  
21    National Housing Administrator pursuant to subsections (a)  
22    and (b) of this section 303 shall not exceed \$25,000,000  
23    at any time: *Provided*, That all moneys in said account shall  
24    be covered into miscellaneous receipts not later than two  
25    years after the President shall have declared that the emer-

1 gency declared by him on September 8, 1939, has ceased  
2 to exist."

3 In all, independent offices, ~~(16)~~\$666,505,849 \$665,-  
4 575,849.

## 5 EXECUTIVE DEPARTMENTS

### 6 [Non-War]

#### 7 DEPARTMENT OF AGRICULTURE

8 ~~(17)~~Emergency rubber project, \$1,649,790, and the balance  
9 remaining shall be used to liquidate such project, including  
10 the elimination of the remaining plantations, the rehabilita-  
11 tion and return of leased lands to the owners and the disposal  
12 of other property according to law, and for the continuation  
13 of the production, breeding, and disease phases of guayule  
14 research on indicator plots and experimental areas until  
15 June 30, 1946.

16 *Emergency rubber project, \$1,649,790, and the balance*  
17 *remaining shall be used under the direction of the Secretary*  
18 *of Agriculture to liquidate such project in an orderly manner*  
19 *immediately on the passage of this Act, including selling the*  
20 *two mills as individual units and disposal of each lease by sale*  
21 *or by contractual arrangement; and for field and laboratory*  
22 *research on the various phases of guayule and retaining all*  
23 *needed property and equipment to carry out this purpose.*

24 War Food Administration: Salaries and expenses,  
25 \$3,116,894.

1       Emergency supplies for Territories and possessions,  
2   \$25,000,000.

3       The following appropriations shall be so administered  
4   as to avoid the incurrence of deficiencies therein except for  
5   such added expense occasioned by the Federal Employees  
6   Pay Act of 1945 as it may not be practicable to absorb,  
7   namely:

8       Bureau of Agricultural Economics, salaries and expenses  
9   (crop and livestock estimates).

10      Office of Foreign Agricultural Relations, salaries and  
11   expenses.

12      Agricultural Research Administration:

13          Bureau of Animal Industry, salaries and expenses  
14   (meat inspection) ;

15          Bureau of Plant Industry, Soils, and Agricultural  
16   Engineering, salaries and expenses (fruit, vegetable, and  
17   specialty crops) ;

18          Bureau of Entomology and Plant Quarantine, sala-  
19   ries and expenses (foreign plant quarantine).

20      Forest Service:

21          Salaries and expenses (national forest protec-  
22   tion and management) ;

23          Forest-fire cooperation.



## DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

## DEPARTMENT OF THE INTERIOR

~~(18) Office of the Secretary: Salaries and expenses, Division of Geography, \$20,000.~~

~~(19) War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$5,000,000.~~

Office of Fishery Coordination: Salaries and expenses, \$57,000.

1       Solid Fuels Administration for War:

2               Salaries and expenses, \$275,000, and on April 1,  
3       1946, the sum of \$150,000 of said appropriation shall  
4       be transferred to the appropriation "Economics of  
5       mineral industries", Bureau of Mines, and the limitation  
6       in said latter appropriation for personal services in the  
7       District of Columbia shall be increased from "397,500"  
8       to "\$529,000".

9                               Bureau of Mines

10       Enforcement of Federal Explosives Act, \$27,900.

11       Investigation of raw-material resources for steel pro-  
12       duction (national defense), \$180,000.

13       Construction and equipment of helium plants, \$260,000.

14       Manganese beneficiation pilot plants and research (na-  
15       tional defense), \$50,000.

16       Production of alumina from low-grade bauxite, aluminum  
17       clays and alunite (national defense), \$200,000.

18       Investigation of bauxite and alunite ores and aluminum  
19       clay deposits (national defense), \$350,000.

20       Magnesium pilot plants and research (national de-  
21       fense), \$150,000.

22       Investigation of deposits of critical and essential minerals  
23       in the United States and its possessions (national defense),  
24       \$420,000.

## GOVERNMENT IN THE TERRITORIES

Emergency fund, Territories and island possessions  
(national defense), \$332,000.

## DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and  
expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and ex-  
penses, detection and prosecution of crimes (emergency),  
(20) ~~\$2,480,000~~ \$1,240,000.

## DEPARTMENT OF LABOR

## Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program  
(national defense), \$60,000.

## Children's Bureau:

Grants to States for emergency maternity and infant  
care (national defense), \$8,113,600: *Provided*, That  
such reduced amount shall not affect the amount to be  
allotted to the States for administrative expenses as  
authorized in the Department of Labor Appropriation  
Act, 1946.

## United States Employment Service:

(21) ~~Employment office facilities and services: The un-~~  
~~expended and unobligated balances, on the thirtieth day~~



1 after the date of the enactment of this Act, of appro-  
2 priations, excluding the appropriation of \$7,791,134 to  
3 carry into effect the provisions of section 602 of title  
4 IV of the Servicemen's Readjustment Act of 1944,  
5 Public Law 346, Seventy-eighth Congress, made in the  
6 first paragraph under the heading "Employment Office  
7 Facilities and Services" in title VII of the Labor-Federal  
8 Security Appropriation Act, 1946, shall, on such  
9 thirtieth day, be carried to the surplus fund and covered  
10 into the Treasury.

11 *Employment Office Facilities and Services: The appro-*  
12 *priations made in the first paragraph under the heading*  
13 *"Employment Office Facilities and Services" in title VII of*  
14 *the Labor-Federal Security Appropriation Act, 1946, shall*  
15 *be available, in addition to the objects which are specified*  
16 *in the first paragraph under the heading "Employment*  
17 *Office Facilities and Services" in title VII of the Labor-*  
18 *Federal Security Appropriation Act, 1946, for grants*  
19 *to States to finance the total costs of administration*  
20 *of State-wide systems of public employment offices, in*  
21 *accordance with standards and regulations prescribed by*  
22 *the Secretary of Labor as necessary to carry out the*  
23 *purposes of the Act of Congress approved June 6, 1933,*  
24 *as amended (excluding section 5 thereof): Provided, That the*  
25 *Secretary of Labor shall make such grants through the Social*

1 *Security Board and in accordance with the procedures*  
2 *applicable to grants under title III of the Social Security Act,*  
3 *as amended, and shall, in connection therewith, certify to the*  
4 *Social Security Board the amounts of such grants for*  
5 *each State; and upon such certification the Social Security*  
6 *Board shall certify such amount to the Secretary of the*  
7 *Treasury, in addition to the amount, if any, payable by said*  
8 *Board under the provisions of section 302 (a) of the Social*  
9 *Security Act, as amended, and the additional amount so*  
10 *certified shall be paid to each State by the Secretary of the*  
11 *Treasury out of the appropriations herein made available*  
12 *for such grants: Provided, That such portion of such ap-*  
13 *propriations as may be necessary shall be available to the*  
14 *United States Employment Service for all necessary ex-*  
15 *penses, including personal services, incurred in connection*  
16 *with the operation of employment office facilities and services*  
17 *in the District of Columbia: Provided further, That no*  
18 *portion of such appropriations shall be made avail-*  
19 *able to a State unless the State (1) has made pro-*  
20 *vision for the transfer to and retention in the State-wide*  
21 *system of public employment offices of employees of the*  
22 *Federal Government who had been employed in State and*  
23 *local employment service functions in such State, in the*  
24 *positions occupied by them under the Federal service or*

1 in reasonably comparable positions except that individuals  
2 so transferred may be separated or terminated for good  
3 cause, as determined in individual cases under the ap-  
4 plicable State merit system, or separated or terminated  
5 by reason of reductions in force found necessary in the  
6 interests of efficient operations, and may be separated after  
7 they have been given a reasonable opportunity to acquire  
8 eligibility for continued employment in the State-wide sys-  
9 tem of public employment offices under the State merit  
10 system in the positions occupied by them under the Fed-  
11 eral service or in reasonably comparable positions or (2)  
12 has requested the detail of such employees to the State  
13 agency under the following proviso: Provided further, That  
14 so much of such appropriations as may be necessary  
15 shall be available, in lieu of any portion of the grant  
16 to the State, for the payment of compensation (under the  
17 salary scales applicable to such employees prior to the  
18 enactment of this Act) to employees of the United States  
19 Employment Service in the Department of Labor, who,  
20 upon the request of the State, and for the purpose of per-  
21 mitting continuity in their employment pending an oppor-  
22 tunity to qualify for State employment in accordance with  
23 this paragraph, may be detailed by the Secretary of Labor



1 to the State agency for service in the State-wide system of  
2 public employment offices.

3 On the earliest practicable date in the case of each  
4 State, but in no case later than the one hundred and  
5 twentieth day after the date of enactment of this Act,  
6 the Secretary of Labor shall transfer to the State agency  
7 in each State designated under section 4 of the Act  
8 of Congress approved June 6, 1933, as amended, as the  
9 agency to cooperate with the United States Employment  
10 Service under said Act, the operation of State and local public  
11 employment office facilities in such State, and in connection  
12 therewith the Secretary of Labor shall provide for the return  
13 to such State of the employment office facilities and properties  
14 transferred by such State to the Federal Government in 1942  
15 to promote the national war effort and may also provide for  
16 the transfer and assignment to such State, without reimburse-  
17 ment therefor, of all other public employment office facilities  
18 and properties including records, files, and office equipment  
19 which are located in such State: Provided, That as a condition  
20 to such transfer and assignment of Federal properties the Sec-  
21 retary may require the recipient State to waive any claim  
22 which may then exist or thereafter arise out of the use made  
23 by the Federal Government of, or for the loss of or damage to,

1 *property and facilities transferred by the State to the Federal*  
 2 *Government in 1942.*

3 WAR DEPARTMENT

4 The Panama Canal: Maintenance and operation of the  
 5 Panama Canal, \$5,000,000.

6 In all, executive departments, ~~(22)\$57,854,572~~ \$51,-  
 7 594,572.

8 In all, title I, ~~(23)\$2,956,807,646~~ \$2,940,828,227.

9 Miscellaneous Provisions, Title I

10 REDUCTIONS IN CONTRACT AUTHORIZATIONS

11 Contract authorizations of the departments and agencies  
 12 available in the fiscal year 1946 are hereby reduced in the  
 13 sums hereinafter set forth:

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Emergency funds appropriated to the President: Defense  
 16 aid—lend-lease, \$600,000,000.

17 INDEPENDENT OFFICES

18 United States Maritime Commission: Construction fund,  
 19 Act June 29, 1936, revolving fund, \$325,900,000.

20 FEDERAL WORKS AGENCY

21 Public Roads Administration:

22 Strategic highway network, \$1,484,363.

23 Access roads, ~~(24)\$3,076,845~~ \$2,576,845.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE  
EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.  
(25) Alien Property Custodian, \$500,000.

War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

INDEPENDENT OFFICES

Smaller War Plants Corporation:

Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

United States Maritime Commission:

Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946



1 are hereby continued available until June 30, 1946, except  
2 as modified in this title.

3 Executive Office of the President:

4 Bureau of the Budget, national defense activities,  
5 independent offices:

6 Civil Service Commission, salaries and expenses  
7 (national defense).

8 Federal Communications Commission, salaries  
9 and expenses (national defense).

10 Federal Power Commission: National defense ac-  
11 tivities.

12 Federal Security Agency:

13 Office of the Administrator:

14 Salaries and expenses, Office of Community

15 War Services;

16 Expenses, temporary aid to enemy aliens and  
17 other restricted persons.

18 Department of the Interior:

19 Office of the Secretary:

20 Salaries and expenses, Division of Geography,

21 Department of the Interior.

CORPORATE FUNDS TO BE TRANSFERRED TO THE  
TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,

\$315,500.

Prencinradio, Incorporated, \$875,000.

GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

## 1        TITLE II—MILITARY ESTABLISHMENT

2        Office of Secretary of War:

3            Contingencies of the Army, 1942-1946,

4        ~~(26)\$12,829,151~~ \$10,829,151.5            Expediting Production of Equipment and Supplies  
6        for National Defense, 1940-1946, \$282,892,000.

7        General Staff Corps:

8            Contingent Fund, Chief of Staff, 1942-1946,  
9        \$124,335,489.10          Special Field Exercises, Army, 1942-1946,  
11        \$51,246,874.

12        Finance Department:

13          Finance Service, Army, 1942-1946, \$207,000, and  
14        subappropriations under this head are hereby decreased  
15        as follows: (1) Expenses of courts martial, \$36,000;  
16        and (2) Apprehension of deserters, \$171,000.

17        Quartermaster Corps:

18          Quartermaster Service, Army, 1942-1946, ~~(27)\$3,-~~  
19        ~~944,994,479~~ \$3,899,682,479, and subappropriations  
20        under this head are hereby decreased as follows: (1)  
21        Welfare of enlisted men, ~~(28)\$10,000,000~~ \$5,000,000;  
22        (2) subsistence of the Army, \$1,762,081,479; (3)  
23        regular supplies of the Army, ~~(29)\$561,018,000~~  
24        \$521,018,000; (4) clothing and equipage, \$1,563,-  
25        225,000; (5) horses, draft and pack animals,



(30)\$1,670,000 \$1,358,000; and (6) Army transportation, \$47,000,000.

### Transportation Corps:

Transportation Service, Army, 1945-1946, \$704,268,000.

### Signal Corps:

Signal Service of the Army, 1942-1946, (31)\$1,679,434,000 \$1,671,934,000.

### Air Corps:

Air Corps, Army, 1942-1946, (32)\$12,166,313,000 \$11,313,313,000 (33): *Provided, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor.*

### Medical Department:

Medical and Hospital Department, Army, 1942-1946, (34)\$268,039,000 \$267,539,000.

### Corps of Engineers:

Engineer Service, Army, 1942-1946, (35)\$2,349,523,571 \$2,306,763,000, and subappropriations under this head are hereby decreased as follows: (1) Engineer Service, (36)\$2,054,408,571 \$2,011,648,000; (2) Military posts, \$148,255,000; and (3) Barracks and quarters, Army, \$146,860,000.

1        Ordnance Department:

2            Ordnance Service and Supplies, Army, 1942-1946,

3        ~~(37)\$8,300,000,000~~ \$8,100,000,000.

4        Chemical Warfare Service:

5            Chemical Warfare Service, Army, 1942-1946,

6        \$997,870,000.

7        Special Service Schools:

8            Special Service Schools, Army, 1942-1946,

9        \$178,000, and subappropriations under this head are

10       hereby decreased as follows: (1) Infantry School,

11       \$81,000; (2) Cavalry activities, \$22,700; and (3)

12       Field Artillery activities, \$74,300.

13       Seacoast defenses:

14            Seacoast defenses, general, 1942-1946, \$1,664,000.

15       United States Military Academy: Pay of Military

16       Academy, 1942-1946, \$21,000.

17       Inter-American Relations, War Department: Inter-

18       American Relations, War Department, 1943-1946, \$75,000.

19       Office of the Secretary:

20            Contingent expenses, War Department, 1942-1946,

21        \$1,200,000.

22            Printing and binding, War Department, 1942-1946,

23        \$18,000,000.

## TRANSFER OF APPROPRIATIONS

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kansas, \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Illinois, \$5,719;

Instruction in armored force activities, \$389,756;

Maintenance and Operation, United States Military Academy, \$1,323,884.

(38) *Army of the Philippines, \$200,000,000: Provided, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the pur-*



1 poses of any law of the United States conferring rights,  
2 privileges, or benefits upon any person by reason of the  
3 service of such person or the service of any other person  
4 in the military or naval forces of the United States or any  
5 component thereof, except benefits under (1) the National  
6 Service Life Insurance Act of 1940, as amended, under  
7 contracts heretofore entered into, and (2) laws administered  
8 by the Veterans' Administration providing for the pay-  
9 ment of pensions on account of service-connected disability  
10 or death: Provided further, That such pensions shall be paid  
11 at the rate of one Philippine peso for each dollar author-  
12 ized to be paid under the laws providing for such pensions:  
13 Provided further, That any payments heretofore made under  
14 any such law to or with respect to any member of the  
15 military forces of the government of the Commonwealth  
16 of the Philippines who served in the service of the armed  
17 forces of the United States shall not be deemed to be invalid  
18 by reason of the circumstances that his service was not  
19 service in the military or naval forces of the United States  
20 or any component thereof within the meaning of such law.

21

## GENERAL PROVISION

22

23 Appropriations for the Military Establishment for the  
24 fiscal year 1946 available for expenses of travel may be  
used under regulations prescribed by the Secretary of War,

1 for the payment, in lieu of transportation in kind or move-  
 2 ment at Government expense authorized by law for de-  
 3 pendants, of 4 cents per mile for dependents twelve years  
 4 of age or over and of 2 cents per mile for dependents be-  
 5 tween five and twelve years of age, in advance or other-  
 6 wise, in accordance with distances established for payment  
 7 and settlement of mileage accounts of officers pursuant to  
 8 the provisions of the Act of June 12, 1906, as amended  
 9 (34 Stat. 246; 10 U. S. C. 870).

10 In all, title II (39) ~~\$30,903,090,564~~ \$29,752,017,993.

# 11 TITLE III—NAVAL ESTABLISHMENT

12 Office of the Secretary:

13 Miscellaneous expenses, Navy:

14 Fiscal year 1944, \$2,323,605.

15 Fiscal year 1945, \$671,805.

16 Fiscal year 1946, (40) ~~\$13,000,000~~ \$10,800,000.

17 Contingent, Navy:

18 Fiscal year 1944, \$74,000.

19 Fiscal year 1945, \$49,000.

20 Fiscal year 1946, \$20,000.

21 Naval emergency fund:

22 Fiscal year 1945, \$25,477.

23 Fiscal year 1946, \$3,000,000.

1        Naval Research Laboratory:

2            Fiscal year 1944, \$5,185.

3            Fiscal year 1945, \$3,002.

4            Fiscal year 1946, \$90,000.

5        Operation and conservation of naval petroleum reserves:

6            Fiscal year 1944, \$6,986.

7            Fiscal year 1945, \$6,353.

8            Fiscal year 1946, \$18,000.

9        Ocean and lake surveys, Navy:

10           Fiscal year 1944, \$6,677.

11           Fiscal year 1945, \$21,298.

12        Bureau of Naval Personnel:

13           Naval War College:

14           Fiscal year 1944, \$4,521.

15           Fiscal year 1945, \$2,886.

16        Naval Training Station, San Diego, California:

17           Fiscal year 1944, \$232,338.

18           Fiscal year 1945, \$327,515.

19        Naval Training Station, Newport, Rhode Island:

20           Fiscal year 1944, \$823.

21           Fiscal year 1945, \$256.

22        Naval Training Station, Great Lakes, Illinois:

23           Fiscal year 1944, \$459,244.

24           Fiscal year 1945, \$29,510.

25           Fiscal year 1946, \$700,000.



1 Naval Training Station, Norfolk, Virginia:

2 Fiscal year 1944, \$4,488.

3 Fiscal year 1945, \$14,879.

4 Naval Training Station, Lake Pend Oreille, Idaho:

5 Fiscal year 1944, \$54,790.

6 Fiscal year 1945, \$604,708.

7 Naval Training Station, Lake Seneca, New York:

8 Fiscal year 1944, \$38,894.

9 Fiscal year 1945, \$3,209.

10 Naval Training Station, Port Deposit, Maryland:

11 Fiscal year 1945, \$2,794.

12 Fiscal year 1946, \$500,000.

13 Fleet Training, Navy:

14 Fiscal year 1944, \$11,108.

15 Fiscal year 1945, \$164,695.

16 Fiscal year 1946, \$78,000.

17 Instruction, Navy:

18 Fiscal year 1944, \$2,151,364.

19 Fiscal year 1945, \$120,000.

20 Fiscal year 1946, (41)\$9,000,000 \$6,000,000.

21 Libraries, Navy:

22 Fiscal year 1944, \$145,920.

23 Fiscal year 1945, \$1,693.

24 Fiscal year 1946, \$1,252,935.

25 Welfare and Recreation, Navy:

- 1           Fiscal year 1944, \$903,681.
- 2           Fiscal year 1946, \$4,124,000.
- 3       Naval Reserve Officers' Training Corps:
- 4           Fiscal year 1944, \$237,300.
- 5           Fiscal year 1945, \$88,337.
- 6       Miscellaneous expenses, Bureau of Naval Personnel:
- 7           Fiscal year 1944, \$3,009.
- 8           Fiscal year 1945, \$124.
- 9           Fiscal year 1946, \$20,000.
- 10       Naval Reserve:
- 11           Fiscal year 1944, \$54,961,800.
- 12           Fiscal year 1945, \$24,511,154.
- 13           Fiscal year 1946, (42)\$50,000,000 \$38,262,000.
- 14       Pay, Naval Academy:
- 15           Fiscal year 1944, \$88,394.
- 16           Fiscal year 1945, \$93,796.
- 17       Maintenance, Naval Academy:
- 18           Fiscal year 1944, \$6,877.
- 19           Fiscal year 1945, \$2,529.
- 20       Naval Home, Philadelphia, Pennsylvania:
- 21           Fiscal year 1944, \$610.
- 22           Fiscal year 1945, \$1,250.
- 23       Naval Prison Farms and Prison Personnel:
- 24           Fiscal year 1944, \$10.
- 25           Fiscal year 1945, \$5,100.

1 Bureau of Ships:

2 Maintenance, Bureau of Ships:

3 Fiscal year 1942, \$43,907,135.

4 Fiscal year 1942-43, \$51,956,375.

5 Fiscal year 1943, \$64,050,351.

6 Fiscal year 1944, \$52,247,000.

7 Fiscal year 1945, \$118,474,000.

8 Fiscal year 1946, \$1,468,000,000.

9 Defense installations on merchant vessels, Navy, \$13,-  
10 658,123.

11 Bureau of Ordnance:

12 Ordnance and ordnance stores, Navy:

13 Fiscal year 1944, \$551,226,542.

14 Fiscal year 1945, \$1,208,752,767.

15 Fiscal year 1946, ~~(43)\$2,600,000,000~~ \$2,550,-  
16 451,000.

17 Bureau of Supplies and Accounts:

18 Pay, subsistence, and transportation, Navy, 1944,  
19 ~~(44)\$128,214,285~~ \$69,247,269.

20 Pay and subsistence of naval personnel, 1946  
21 \$1,317,369,200.

22 Maintenance, Bureau of Supplies and Accounts, 1946,  
23 \$81,314,000.

24 Transportation of things, Navy, 1946, \$140,036,282.

25 Fuel, Navy, 1946, \$100,000,000.



1 Bureau of Medicine and Surgery:

2 Medical Department, Navy:

3 Fiscal year 1944, \$14,017,195.

4 Fiscal year 1945, \$12,238,592.

5 Fiscal year 1946, \$30,000,000.

6 Bureau of Yards and Docks:

7 Maintenance, Bureau of Yards and Docks:

8 Fiscal year 1944, \$2,431,496.

9 Fiscal year 1945, \$3,139,211.

10 Fiscal year 1946, ~~(45)\$15,000,000~~ \$5,000,000.

11 Public Works, Bureau of Yards and Docks, \$400,-

12 000,000, and the contract authorization for "Public Works,

13 Bureau of Yards and Docks" available in the fiscal year

14 1946 is hereby reduced in the sum of ~~(46)\$1,229,880,000~~

15 \$1,283,510,540: ~~(47)~~ *Provided, That the rescission of \$400,-*

16 *000,000 of the appropriation shall not act to reduce further*

17 *the contract authority: Provided (48) further, That of this*

18 *amount \$946,000,000 shall apply against advance base con-*

19 *struction, material and equipment (49): Provided further,*

20 *That of the funds remaining available for advance base con-*

21 *struction, material, and equipment, not to exceed \$6,000,000*

22 *shall be available toward reconstruction of the civilian*

23 *economy of Guam.*

1 Bureau of Aeronautics:

2 Aviation, Navy:

3 Fiscal year 1943, \$256,482,489.

4 Fiscal year 1943-44, \$193,929,557.

5 Fiscal year 1944, \$811,987,405.

6 Fiscal year 1945, \$1,468,753,102.

7 Fiscal year 1946, ~~(50)\$1,481,300,000~~ \$1,324,-  
 8 691,800, and subappropriations under this head are here-  
 9 by decreased as follows: (1) New construction and  
 10 procurement of aircraft and equipment, spare parts, and  
 11 so forth, from "\$799,128,500" to "~~(51)\$135,765,200~~  
 12 \$128,116,900", (2) replacement of navigational and  
 13 radio equipment for aircraft in service, and so forth,  
 14 from "\$168,808,200" to "\$44,934,000", ~~(52)~~ and (3)  
 15 maintenance, repair, and operation of aircraft factory,  
 16 air stations, and so forth, from "\$1,431,840,800" to  
 17 "~~(53)\$758,050,800~~ \$835,050,800",—and ~~(4)~~ con-  
 18 tinuing experiments and developmental work, and so  
 19 forth, from "~~\$81,272,500~~" to "~~\$61,000,000~~"; the sub-  
 20 appropriation "continuing experiments and development  
 21 work, and so forth," is hereby increased from \$81,272,-  
 22 500" to "\$148,256,500"; and the unobligated portion

1 of the contract authorization provided under this head  
2 is hereby repealed.

3 Marine Corps:

4 Pay, Marine Corps:

5 Fiscal year 1944, (55)~~\$41,321,480~~ \$40,521,480.

6 Fiscal year 1945, \$10,000,000.

7 Fiscal year 1946, \$69,913,260.

8 Pay of civil force, Offices of Commandant of Marine  
9 Corps and Director of Personnel:

10 Fiscal year 1944, \$358.

11 Fiscal year 1945, \$174.

12 Pay of civil force, Office of Paymaster General, Marine  
13 Corps:

14 Fiscal year 1944, \$330.

15 Fiscal year 1945, \$118.

16 Pay of civil force, Office of Quartermaster General,  
17 Marine Corps:

18 Fiscal year 1944, \$844.

19 Fiscal year 1945, \$1,059.

20 General expenses, Marine Corps:

21 Fiscal year 1944, \$79,787,482.

22 Fiscal year 1945, \$56,737,554.



Fiscal year 1946, ~~(56)\$310,000,000~~ \$307,-  
750,000.

Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$732,104,151.

Increase and replacement of naval vessels, armor, armament and ammunition, \$276,876,967.

Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels ~~(57)~~, *except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of five advanced type combatant vessels and seventeen minor craft.*

Repair facilities, Navy:

Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy", available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.

1 Coast Guard:

2 Salaries, Office of Commandant, United States Coast  
3 Guard:

4 Fiscal year 1944, \$219.

5 Fiscal year 1945, \$133,293.

6 Pay and allowances, Coast Guard:

7 Fiscal year 1944, \$35,006,326.

8 Fiscal year 1945, \$8,658,922.

9 Fiscal year 1946, \$80,000,000.

10 General expenses, Coast Guard:

11 Fiscal year 1944, \$631,865.

12 Fiscal year 1945, \$1,289,896.

13 Fiscal year 1946, \$20,000,000.

14 Civilian employees, Coast Guard:

15 Fiscal year 1944, \$109,654.

16 Fiscal year 1945, \$200,633.

17 Establishing and improving aids to navigation, Coast  
18 Guard, \$346,000.

19 Acquisition of vessels and shore facilities, Coast Guard,  
20 \$2,741,000.

21 Retired pay, former Lighthouse Service, Coast Guard:

22 Fiscal year 1944, \$73,320.

23 Fiscal year 1945, \$48,109.

24 Salaries, Merchant Marine Inspection, Coast Guard,  
25 1945, \$25,536.

1 Salaries and expenses, Merchant Marine Inspection,  
2 Coast Guard:

3 Fiscal year 1944, \$899,401.

4 Fiscal year 1945, \$373,270.

5 Emergency construction, vessels and shore facilities,  
6 Coast Guard (Navy), \$231,000.

7 Special projects, vessels, Coast Guard (Navy), \$127,-  
8 000.

9 Special projects, aids to navigation, Lighthouse Service,  
10 Coast Guard (Navy), \$28,699.

11 Special projects, aids to navigation, Coast Guard  
12 (Navy), \$556,000.

13 NAVY DEPARTMENT

14 Salaries:

15 Salaries, Office of Secretary of the Navy:

16 Fiscal year 1944, \$78.

17 Fiscal year 1945, \$5,330.

18 Salaries, General Board, Navy Department:

19 Fiscal year 1944, \$3,826.

20 Fiscal year 1945, \$8,775.

21 Salaries, Naval Examining and Retiring Boards:

22 Fiscal year 1944, \$1,536.

23 Fiscal year 1945, \$5,662.



1 Salaries, Office of Naval Records and Library:

2 Fiscal year 1944, \$879.

3 Fiscal year 1945, \$7,035.

4 Salaries, Office of Judge Advocate General, Navy:

5 Fiscal year 1944, \$5,312.

6 Fiscal year 1945, \$36.

7 Salaries, Office of Chief of Naval Operations:

8 Fiscal year 1944, \$787.

9 Fiscal year 1945, \$731.

10 Salaries, Board of Inspection and Survey, Navy Depart-  
11 ment:

12 Fiscal year 1944, \$3,452.

13 Fiscal year 1945, \$2,893.

14 Salaries, Office of Director of Naval Communications:

15 Fiscal year 1944, \$125.

16 Fiscal year 1945, \$18,647.

17 Salaries, Office of Naval Intelligence:

18 Fiscal year 1944, \$2,932.

19 Fiscal year 1945, \$923.

20 Salaries, Hydrographic Office:

21 Fiscal year 1944, \$176,696.

22 Fiscal year 1945, \$16,357.

23 Salaries, Naval Observatory:

24 Fiscal year 1944, \$38.

25 Fiscal year 1945, \$1,117.

Salaries, Bureau of Ships:

Fiscal year 1944, \$2.

Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.

Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval

1 Appropriation Act, 1946, is hereby decreased from "\$18,-  
2 500,000" to "\$10,500,000".

3       Contingent and miscellaneous expenses, Hydrographic  
4 Office:

5               Fiscal year 1944, \$289,839.

6               Fiscal year 1945, \$94,942.

7               Fiscal year 1946, \$413,000.

8       Contingent and miscellaneous expenses, Naval Observa-  
9 tory:

10              Fiscal year 1944, \$572.

11              Fiscal year 1945, \$40.

12                               GENERAL PROVISIONS

13       Provisions of law prohibiting the payment of compensa-  
14 tion to any person not a citizen of the United States shall  
15 not apply to personnel under the Naval Establishment during  
16 the fiscal year ending June 30, 1946.

17 ~~(58)~~Notwithstanding the provisions of section 10 of the Pay  
18 Readjustment Act of 1942 (56 Stat. 364), the Secretary  
19 of the Navy is authorized and directed to issue in kind during  
20 the fiscal year ending June 30, 1946, one service blue uni-  
21 form and overcoat to each enlisted man in the naval service  
22 upon return to the United States from sea and foreign shore  
23 duty upon the sworn statement of such enlisted man that he  
24 was prevented, by competent naval authority, from taking  
25 such articles of clothing with his person at the time of his



1 assignment to sea and foreign shore duty: *Provided, That*  
2 the value of such articles of clothing shall be charged to the  
3 clothing and small-stores fund.

4 *Notwithstanding the provisions of section 10 of the Pay*  
5 *Readjustment Act of 1942 (56 Stat. 364), the Secretary*  
6 *of the Navy is authorized and directed to issue in kind*  
7 *one dress blue uniform and overcoat to each enlisted man*  
8 *in the naval service upon his return to the United States*  
9 *from sea and foreign shore duty for separation from the*  
10 *naval service upon the sworn statement of such enlisted*  
11 *man that these articles of clothing are not now in his posses-*  
12 *sion by reason of compliance with orders of higher naval*  
13 *authority or other exigencies of the service beyond his control*  
14 *and that no claim for reimbursement will be filed for the*  
15 *value of such articles so replaced: Provided, That the value*  
16 *of such articles of clothing shall be charged to the clothing*  
17 *and small-stores fund. The authority contained herein shall*  
18 *terminate on September 30, 1946.*

19 **(59)** *Personnel of the Naval Reserve, not qualified for sea*  
20 *duty, will, upon their application, be placed on inactive*  
21 *duty if surplus to requirements.*

22 **(60)** *The dependents and household effects of such civilian*  
23 *and naval personnel of the Naval Establishment (without*  
24 *regard to rank or grade) on duty at locations outside the*  
25 *continental limits of the United States, or in Alaska, as may*

1 *be determined upon by the Secretary of the Navy, may prior*  
 2 *or subsequent to the issuance of orders for the relief of such*  
 3 *personnel from their stations, or subsequent to the discharge*  
 4 *or release of such personnel from active service, be moved*  
 5 *(including packing and unpacking of household effects) from*  
 6 *such locations outside the continental limits of the United*  
 7 *States, or in Alaska, to such locations as may be designated*  
 8 *by such personnel, or dependents concerned, by the use of*  
 9 *either Government or commercial means of transportation,*  
 10 *and later from such locations to the duty station to which*  
 11 *such personnel may be ordered, and current appropriations*  
 12 *of the Naval Establishment available for travel and trans-*  
 13 *portation may be used for this purpose. In lieu of the trans-*  
 14 *portation in kind authorized for dependents, the Secretary of*  
 15 *the Navy may authorize the payment in money of amounts*  
 16 *equal to the commercial transportation costs (including taxes*  
 17 *if paid), for the whole or such part of the travel for which*  
 18 *transportation in kind is not furnished when such travel shall*  
 19 *have been completed.*

20 *In all, title III, (61) ~~\$14,604,721,830~~ \$14,309,609,614.*

21

#### GENERAL PROVISION

22 *The officer and enlisted personnel strengths of the*  
 23 *Army, Navy, Marine Corps, and Coast Guard shall be*  
 24 *demobilized at a rate not less than would be necessary to*  
 25 *keep within the amounts available for their pay in conse-*

1 quence of the provisions of this Act, unless the President  
2 otherwise shall direct.

3 **(62)***Effective December 1, 1945, no military or naval per-*  
4 *sonnel shall receive during the remainder of the current*  
5 *fiscal year aviation pay unless the person affected is assigned*  
6 *to duty on air activities prescribed by the Secretary of War*  
7 *or the Secretary of the Navy as requiring regular and*  
8 *frequent participation in aerial flights, or is required to*  
9 *participate regularly and frequently in aerial flights in*  
10 *order to continue his fitness for his primary technical skill:*  
11 *Provided further, That in addition, on or before January 1*  
12 *annually, the Secretaries of War and Navy, respectively,*  
13 *shall certify to the Congress by rank and age group the*  
14 *number of such officers above the rank of major of the Army*  
15 *or lieutenant commander of the Navy, with the average*  
16 *monthly flight pay authorized by law to be paid to such*  
17 *officers during the six-month period preceding the date of*  
18 *the report: Provided further, That the Secretary of War*  
19 *and the Secretary of the Navy shall on or before January 3,*  
20 *1946, submit to the Congress a joint recommendation for*  
21 *revision of the Pay Readjustment Act of 1942, as amended,*  
22 *including but not restricted to recommendations with respect*  
23 *to increases authorized for flying pay, parachute pay, glider*  
24 *pay, submarine pay, and similar special pay and allowances.*







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## AN ACT

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Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 20, 1945

Ordered to be printed with the amendments of the  
Senate numbered







17. GI BILL AMENDMENTS. Sen. Hart, Conn., described the Conn. Reemployment Commission and spoke favoring similar State organizations to further assist in administering this bill (pp. 11181-2).
18. SURPLUS PROPERTY. Sen. Mitchell, Wash., criticized Surplus Property Administration's delay in providing for disposal of surplus aluminum plants (pp. 11079-81).
19. PRICE CONTROL. Sen. Wherry, Nebr., criticized OPA's cost-absorption policy (pp. 11087-8).
20. WATER UTILIZATION. Sen. Butler, Nebr., inserted C. Petrus Peterson's (Nebr. Legislation) address on the State plan for water use in Nebr. (pp. 11089-91).
21. FLOOD CONTROL. Passed without amendment H.R. 1902, to provide for the procedure in determination of compensation for land acquired in connection with lower Miss. River flood-control projects (p. 11102).
22. RIVERS AND HARBORS. Passed without amendment S. J. Res. 105, to provide for proceeding with certain rivers and harbors projects heretofore authorized to be prosecuted after the termination of the war (pp. 11092-3).
23. ADJOURNED until Mon., Nov. 26 (p. 11113).

#### HOUSE

24. APPROPRIATIONS RESCISSIONS. Reps. Cannon (Mo.), Woodrum (Va.), Ludlow, Snyder, O'Neal, Rabaut, Johnson (Calif.), Taber, Wiglesworth, Dirksen, and Egnel (Wis.) were appointed conferees on H.R. 4407, the appropriation-rescission bill (p. 11117). Senate conferees were appointed Nov. 20.
25. RATIONING; MEATS; FATS AND OILS. Rep. Pace, Ga., inserted Secretary Anderson's announcement<sup>of</sup> termination the rationing of meats, butter, fats, and oils (pp. 11115-6).
26. POULTRY AND EGGS. Rep. Andersen, Minn., criticized this Department's plan to subsidize the slaughter of laying hens (p. 11114).
27. PERSONNEL; TRAVEL. Received ODT Director's draft of a proposed bill to amend the act to provide for furnishing transportation for certain Government and other personnel necessary for the effective prosecution of the war. To Military Affairs Committee. (p. 11132).
28. WAR POWERS. The Judiciary Committee reported without amendment H.R. 4780, to amend the Second War Powers Act (H. Rept. 1282) (p. 11132). (See also item 39).
29. FOREIGN TRADE. Rep. Jenkins, Ohio, criticized tariff policies and included export-import statistics (pp. 11114-5).
30. FULL EMPLOYMENT. Rep. Hoffman, Mich., criticized the full-employment bill and Rep. Cochran, Mo., explained its purpose (pp. 11119-20).
31. VETERANS; FARM LOANS. Rep. Rankin, Miss., criticized the delay in handling the GI Bill of Rights amendments bill, particularly referring to veterans' home and farm loans (p. 11118).
32. LEGISLATIVE PROGRAM. Majority Leader McCormack announced consideration of the deficiency-appropriation bill on Tues., and the full-employment bill on Thurs. and Fri. (pp. 11118-9).



33. TRANSPORTATION. H.R. 2536, as reported (see Digest 203) amends the Interstate Commerce Act so as to: Authorize common carriers (including freight forwarders) to apply to the Interstate Commerce Commission for approval of agreements between carriers, authorize the Commission to approve such agreements when in furtherance of the national transportation policy, grant anti-trust law relief with respect to making and carrying out agreements approved by the Commission, and preclude approval of agreements between carriers of different classes except those limited to matters relating to transportation (1) under joint rates or (2) over through routes.

34. ADJOURNED until Mon., Nov. 26 (p. 11132).

#### BILLS INTRODUCED

35. FORESTRY. S. 1615, by Sen. Vandenberg, Mich., providing for the release of a portion of Marquette National Forest for private use and development. To Agriculture and Forestry Committee. (p. 11072.)

36. RECLAMATION. S. 1617, by Sen. O'Mahoney, Wyo., for himself and Sen. Robertson, Wyo., granting consent of Congress to Utah, Idaho, and Wyo. to negotiate and enter into a compact for the division of the waters of the Bear River and its tributaries. To Irrigation and Reclamation Committee. (p. 11072.)

37. FARM LOANS; VETERANS; HOUSING. S. 1616, by Sen. Vandenberg, Mich., establishing a special Housing Bureau in the Veterans' Administration to act in relation to the procurement of homes or farms for war veterans, and to liberalize loan conditions pertaining thereto. To Finance Committee. (p. 11072.)

38. PRICE CONTROL. S. J. Res. 120, by Sen. Taft, Ohio, to amend the Emergency Price Control Act relating to the standards by which maximum prices shall be established. To Banking and Currency Committee. Remarks of author (pp. 11084-7). (See also item 16.)

39. WAR POWERS. H. R. 4780, by Rep. Sumners, Tex., to amend the Second War Powers Act. To Judiciary Committee. (p. 11132). (See also item 28.)

40. STATISTICS. H. R. 4781, by Rep. Allen, La., (by request) to provide for the collection and publication of statistical information by the Census Bureau. To Census Committee. (p. 11132).

41. SURPLUS PROPERTY; VETERANS. H. R. 4784, by Rep. Feighan, Ohio, relating to sales of surplus property to veterans under the Surplus Property Act. To Expenditures in the Executive Departments. (p. 11132). Remarks of author (pp. 11118-9).

42. RESEARCH; ATOMIC ENERGY. H. Res. 404, by Rep. Douglas, Calif., on the use of atomic energy in the interest of international cooperation and the public welfare. To Foreign Affairs Committee. (p. 11132). Remarks of author (pp. 11120-5).

43. HEALTH PROGRAM. S. 1606 and H.R. 4730 (see Digest 204) to authorize appropriations for grants to States to carry out a national health program; establish a National Advisory Medical Policy Council; provide for grants-in-aid to non-profit institutions for medical education and research and authorize appropriations of \$10,000,000 for 1946, \$15,000,000 for 1947, and for each calendar year thereafter 2% of the amount expended for benefits in the last preceding year; provide that personal health service benefits shall include general and special medical and dental, home-nursing, laboratory, and hospitalization



THE LATE GENERAL ALEXANDER M. PATCH, JR.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, 56 years ago today in Arizona, which at that time was a remote region on this continent and not yet a State of our Union, there was born to Captain and Mrs. A. M. Patch, a son who was destined to become one of the greatest Americans of his age and one of the top field commanders of our American armies in the global war that has just closed.

From early boyhood Alexander M. Patch, Jr., was taught to be a soldier. And what a soldier he became. He studied at St. Luke's Preparatory School near Philadelphia, at Lehigh University, and was graduated from West Point in 1909. After serving on the Mexican border he fought with the First Infantry Division in France during World War I and participated in the occupation of Germany following the armistice in 1918.

In 1941 Alexander M. Patch, Jr., was promoted to brigadier general and led forces into New Caledonia, taking over command from General Vandegrift, the present Commandant of the Marine Corps, and directed the capture of Guadalcanal. So brilliant were his successes in the southwest Pacific that he was called back to the United States and given command of the Seventh Army.

After flying to Italy he immediately proceeded to prepare for the invasion of France. His forces landed on the beaches in southern France east of Marseilles, fought their way up the Rhone Valley through the Vosges Mountains, taking Strasbourg, and were the first American army to penetrate the almost impregnable Siegfried Line. In late March this year his forces crossed the Rhine. He was an infantry expert and struck with lightning speed. He knew the value of surprise.

It was my privilege, along with other Representatives of this body and of the United States Senate who went to Europe last April to inspect the Nazi atrocity camps, to meet General Patch. It was only a month after he had crossed the Rhine and at his headquarters at Gmünd near Göppingen. Even now I can clearly see his tall figure, erect, easy and magnificent, steadily and evenly taking its stride across the open court between the army barracks. It was still a week before any German surrender and troops were rushing feverishly but orderly up to the front. Patch was serious and serene, dignified and determined but with a burning faith, undying hope and supreme confidence deeply carved in every line of his fighting face. The unlimited reserve and untapped strength of this man were overwhelming. He was born to conquer.

With the distinguished Senator from Massachusetts, Mr. SALTONSTALL, and our able colleagues in this House, Mr. IZAC, of California, and our late lamented friend of Oregon, Mr. MOTT, we drove

for 160 miles with General Patch from his headquarters southeast of Heidelberg down through devastated Ulm and Augsburg to horrible Dachau and blasted Munich. All four of us were immensely impressed by the imperturbable spirit and by the fine, even balance of emotion and reason in this courageous man. His men had for him the highest regard and the greatest admiration. Their confidence in him was supreme. They knew that in him they had a real leader who would take them to victory. He possessed an admirable mixture of firmness and tenderness. After the complete capitulation of the Third Reich, General Patch returned to this country and was given charge of the Fourth Army Command at Fort Sam Houston in San Antonio to train fighters for the Japanese conflict. Fortunately, that conflict ended before his task was completed. He happily lived to see the fall of Japan as well as Germany. He had fought both.

Only 8 days of illness defeated him in his final battle. Pneumonia was a more formidable foe than the Nazis or Japs. He died night before last in the Army's Brooke General Hospital in San Antonio, leaving behind him a very fine wife, a brother who is also a lieutenant general, Joseph D. Patch, of the United States Army, a daughter and a daughter-in-law, the wife of his son, Alexander M. Patch III, who was killed in action in October 1944 in France while leading an infantry company of the Seventy-ninth Division. The Patch family were and are a fighting tribe of patriotic Americans.

Mr. Speaker, I feel a sense of great loss after knowing General Patch for only the brief time that I did. I shall never forget his cold, steel grey-blue eyes, his warm soft-spoken words, his firm resolute will, his thoughtful consideration which commanded the respect of all men in his command, officers and enlisted men alike. I am sure that all Members of this body join me in expressing deep and sincere sympathy to the bereaved family in the loss of one of the great Americans of our age. Lt. Gen. Alexander M. Patch, it seems to our finite minds, was too young to die. By his life, character and his heroic deeds, he has justly won for himself the plaudits of a grateful people. God rest his tireless soul.

#### REDUCING APPROPRIATIONS AND CONTRACT AUTHORIZATIONS FOR FISCAL YEAR 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4407), an act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, and I shall not object, we have an understanding with the

gentleman from Missouri as to when the first conference shall be had. Therefore, Mr. Speaker, I withdraw my reservation of objection.

Mr. CANNON of Missouri. Mr. Speaker, in accordance with the understanding on the other side of the aisle, the bill will not actually go to conference before the 10th day of December.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, DIRKSEN, and ENGEL of Michigan.

#### SESSION OF THE HOUSE ON SATURDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. SLAUGHTER. Mr. Speaker, reserving the right to object, I would like to inquire of the majority leader whether the rules reported for the May bill and the Hobbs bill have been filed or will be filed today.

Mr. McCORMACK. I have no knowledge. I am unable to answer the gentleman's question.

Mr. SLAUGHTER. Until I have that assurance, Mr. Speaker, I shall object.

Mr. McCORMACK. Will the gentleman reserve that?

Mr. SLAUGHTER. Yes. I will reserve the right.

Mr. McCORMACK. I withdraw the request, Mr. Speaker.

The SPEAKER. The gentleman withdraws the request at this time.

#### PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to outline the program for next week.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. On Monday is District day. I am unable to state whether there are any bills from that committee.

The SPEAKER. The Chair will state that next Monday is Consent Calendar day.

Mr. McCORMACK. Yes. I was just coming to that. It is my understanding, however, that it is also District of Columbia day, but I am unable to state whether or not there are any bills from that committee which are ready.

The Consent Calendar will be called as a result of the unanimous-consent request entered into last week that that calendar be in order on next Monday.

On Tuesday, if there is no objection, we will meet at 10 o'clock and dispose of the conference report on the land grant bill, and then take up the Deficiency Appropriation bill. I expect the Deficiency Appropriation bill will be disposed of on Tuesday if the House meets at 10 o'clock. If not, then it will go over until Wednesday.



The next order of business will be H. R. 4421, a bill from the Naval Affairs Committee relating to the size of the personnel of the Navy.

Of course, there are conference reports. There is the conference report on the rescission bill and the reorganization bill. If those reports are reported, they will be brought up as quickly as possible after they are reported to the House.

Then, on Thursday and Friday, if the full employment bill is reported out and a rule is reported, if it is possible to bring it up—and I doubt it—but, if it is possible, we will bring that bill up. If it cannot be brought up and it is possible to bring up the Second War Powers Act, that will be taken up.

Then there is the bill H. R. 4717 from the Committee on World War Veterans' legislation of which the gentleman from Mississippi [Mr. RANKIN] is chairman. If a rule is reported on that, that will be brought up just as soon as possible, having in mind what I have said with reference to the full employment bill and the Second War Powers Act.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. COCHRAN. Having no information that it was the purpose of the House leaders, after going along very slowly for the last 2 weeks, or a month to meet at 10 o'clock on Tuesday morning, the subcommittee, which has under consideration the full employment bill, has arranged to make a report to the full committee on Tuesday morning at 10 o'clock. I am sure, having sent out telegrams to the members, that the chairman of the committee will want to meet at 10 o'clock on Tuesday morning. But if the House is going to be in session at 10 o'clock on Tuesday morning, naturally the committee cannot meet. Your program calls for legislation I am interested in and I want to be on the floor when the House is in session.

I will say further, being one of the conferees on the reorganization bill, there is no indication up to this time that the conferees will meet until the full committee on Expenditures in the Executive Departments disposes of the full employment bill. I do not think you should take the action contemplated of meeting at 10 o'clock on Tuesday morning, without any advance notice to a legislative committee that has been trying for the last 4 months to get some legislation before the House that has to do with the so-called full employment bill.

The SPEAKER. The gentleman from Massachusetts has not submitted any request, but the Chair may state that the Chair is very much interested in the so-called Boren bill and would like very much to see the conference report adopted.

Mr. McCORMACK. I may say in connection with the observations made by the gentleman from Missouri that I am very glad he made them; they are very pertinent; and, of course, they will be kept in mind. I know of no reasons why the request would be made before Monday.

I personally feel I am committed by reason of the promise made to the Com-

mittee on Appropriations to give them all day Tuesday, that is what would be the regular legislative day, on the deficiency appropriation bill. I will keep in mind what the gentleman from Missouri said. It may be that arrangements can be made to bring up the conference report after the disposition of the deficiency appropriation bill and before the Navy bill. The opposition of the gentleman will be kept in mind.

Mr. COCHRAN. Did I understand the Speaker to say he was very anxious to see the conference report on the Boren bill adopted.

The SPEAKER. That is correct.

Mr. COCHRAN. I serve notice on the House now that I am very anxious to see the conference report defeated, and I will guarantee that there will be a roll call on the conference report if that be necessary. I will use every parliamentary means at my disposal if necessary to defeat the conference report.

Mr. McCORMACK. Do not get me into that, I am not discussing that. I will, however, bear in mind what the gentleman says.

The SPEAKER. The gentleman from Massachusetts has made no request. Without objection the gentleman may extend his remarks.

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, the remarks of the gentleman from Missouri are fully justified. The leadership, of course, had a difficult problem in arranging for the consideration of the deficiency bill. I might say, as the leader will recall, that the alternative was to take up the bill on Monday, the day on which it was reported. But, rather than bring it up on the day reported, following our usual custom we preferred to meet earlier the next day.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to have the House know that the Committee on Military Affairs has been conducting hearings on the President's request for universal military training and we have requested witnesses to appear next Monday, Tuesday, and Wednesday. Our meetings all begin at 10 o'clock in the morning. These witnesses are coming from various parts of the country. I hope something can be done to avoid the necessity of having them come here only to find we are not able to hear them.

Mr. McCORMACK. I might say that at the time the gentleman from Missouri [Mr. CANNON] discussed it with me I took the position that it was the practice to allow 24 hours to intervene between the reporting of a deficiency bill and its consideration on the floor in order that the membership other than the members of the Appropriations Committee might know what was in the bill, and I felt that that practice and custom should be adhered to.

I wish the gentleman from Missouri [Mr. CANNON] to understand that I promised him that the deficiency bill would be brought up on the 27th of the month. If we cannot meet at 10 o'clock, and I regard what the gentleman from Missouri [Mr. COCHRAN] has said as being very pertinent, also the statement made by the gentleman from Kentucky, personally I feel that the deficiency appropriation bill should be given the right-of-way on Tuesday.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. COCHRAN. I fully agree with what the gentleman said and if he carries that promise out and lets the appropriation bill lay before the House for 24 hours before it is called up, that will suit me, because it will be impossible to report the deficiency bill on Monday before 12 o'clock and if it lays over for 24 hours we cannot call it up until 12 o'clock the next day. Therefore we are in full agreement and if that policy is followed there is no necessity meeting before 12 o'clock Tuesday.

#### VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it was my hope that we might call up the veterans' bill on next Monday and pass it under suspension of the rules. This bill provides for the setting up of a medical corps in the Veterans' Administration.

We have heard all the smears against the Veterans' Administration; we have heard all these attacks from various sources; we have worked hard now for a bill that we think will iron out the difficulty.

If I cannot get the bill up under suspension of the rules I want the Rules Committee to adopt a resolution I have introduced to give us a rule, because I can tell you now that the Congress is going to be in session every day until that bill is voted on.

Let me say further that the conference on the amendments to the GI bill is still in deadlock. We are getting protests from all over the country that veterans cannot get loans on homes and on farms because of the red tape which exists under present laws as far as appraisements are concerned. The House bill corrected that condition. Now we are trying to get the Senate conferees to agree.

Just as soon as we reach an agreement I am going to bring that report to the House for a vote.

The SPEAKER. The time of the gentleman from Mississippi has expired.

#### PURCHASE OF SURPLUS PROPERTY BY VETERANS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued December 3, 1945, for actions of Friday, November 30, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House passed 1st deficiency appropriation bill; agreed to Rep. Snyder's amendment providing for War Department's flood-control projects. House received conference report on appropriation-rescission bill; retains House version of emergency-rubber-project item except that it continues until Dec. 31, 1946, availability of liquidation funds. House agreed to conference report on bill to discontinue land-grant freight rates. House committee reported will to permit postponement of crop reports when issue date falls on Saturday. Rep. Jonkman criticized administration of sugar situation.

HOUSE

1. FIRST DEFICIENCY APPROPRIATION BILL, 1946. Passed with amendment this bill, H.R. 4407 (pp. 11435-46). Agreed to Rep. Snyder's (Pa.) amendment providing an additional \$81,759,000 for War Department's flood-control work (pp. 11435-46).  
Rep. Barrett, Wyo., spoke favoring the flood-control item and opposing the MVA (p. 11435). Several members commended the power-producing features of flood-control projects (pp. 11435-44).
2. APPROPRIATION RESCISSIONS. Received the conference report on H.R. 4407, the appropriation-rescission bill (pp. 11458-60). As reported the bill retains the House version of the emergency-rubber-project item except that it continues the availability until Dec. 31, 1946, of funds for liquidation of the project; and Senate figure (\$2,576,845) for access roads; and provides that employment services shall be returned to the States within 100 days by USAS. (For other provisions see Digests 181, 183, 201, and 205.)
3. TRANSPORTATION; LAND GRANTS. Agreed to the conference report on H.R. 694, to provide for the discontinuance of land-grant freight rates (pp. 11446-53). Senate has not yet received conference report.
4. CROP REPORTS; STATISTICS. The Agriculture Committee reported without amendment H.R. 4729, to permit the postponement of crop reports when issue date falls on Sat. (H. Rept. 1321) (p. 11461).
5. SUGAR SITUATION. Rep. Jonkman, Mich., criticized the administration of the sugar situation and included tabulations of sugar available during 1946 (pp. 11457-8).



6. ALCOHOL. Rep. Johnson, Ill., criticized proposed purchases of industrial alcohol from Cuba (p. 11434).
7. FOREIGN RELIEF. Rep. Douglas, Ill., inserted Herbert H. Lehman's (Director General of UNRRA) statements on UNRRA administration (p. 11455, A5594-5).
8. COMMITTEE ASSIGNMENTS. Agreed to a resolution to make Rep. Clippinger, Ill., a member of the Roads Committee and the Patents Committee (p. 11453).
9. LEGISLATIVE PROGRAM. Majority Leader McCormack announced the following program for this week: Mon., conference report on appropriation-rescission bill; Mon. and Tues., First and Second War Powers Acts amendments; Wed., UNRRA authorizations and Bulwinkle bill on approval of carrier agreements (p. 11453).
10. ADJOURNED until Mon., Dec. 3 (p. 11461).

#### SENATE

11. UNRRA APPROPRIATION. Sen. Morse, Oreg., spoke favoring the UNRRA-appropriation bill, and inserted a Washington Post editorial on the subject (pp. 11427-8).
12. TRANSPORTATION. The Audit-Control Committee reported without amendment S. Res. 161, to provide for an investigation of all means of foreign and interstate transportation (pp. 11414-5).
13. FOREIGN AFFAIRS. Continued debate on S. 1580, the UNO bill (pp. 11418-27).
14. ADJOURNED until Mon., Dec. 3 (p. 11431).

#### BILL INTRODUCED

15. SURPLUS PROPERTY. S. 1636, by Sen. Fulbright, Ark., to amend the Surplus Property Act to designate the State Department the disposal agency for surplus property outside the U.S. To Military Affairs Committee. (p. 11415.)

#### ITEMS IN APPENDIX

16. FLOOD CONTROL. Speeches in the House by Reps. Norrell, Ark., Engel, Mich., and others on flood-control appropriations (pp. A5595-7, A5598-600).
17. COTTON; RESEARCH. Rep. Pace, Ga., inserted his Cotton Textile Institute address on cotton problems, <sup>and</sup> the program set up by this Department and the National Cotton Council to meet them, and urging a research program (pp. A5586-9).
18. PERSONNEL; RETIREMENT. Rep. McCormack, Mass., inserted his correspondence with CSC President Mitchell discussing retirement-deduction-refund problems (pp. A5591-2).
19. SOIL CONSERVATION. Extension of remarks of Rep. Jensen, Iowa, commending soil conservation, and including a district conservationist's letter and newspaper clipping on the subject (pp. A5590-1).
20. FOREIGN RELIEF. Extension of remarks of Rep. Rankin, Miss., criticizing UNRRA and favoring relief via the American Red Cross, and including Mrs. Boardman's letter on ARC operations (pp. A5588-9).
21. PRICE CONTROL. Rep. Cannon, Mo., inserted OPA Administrator Chester Bowles'



Dakota while he has a State patrol or guard at his command. But that is not the angle of the matter I wish to bring to your attention.

The point to which I call your attention is the fact that this gangster incident was apparently incited by the International Committee of the Drivers' Union in Chicago, which is technically and actually beyond the reach of South Dakota law.

The drivers in South Dakota did not go on strike when the Midwest strike began. On November 15 they were called upon by the international agent in Chicago to strike, although a vote on the matter had never been taken. Some 10 days later, on a demand by the company for a formal action on the matter, they did so vote.

Perishable goods had been forwarded to the Buckingham Co., which it attempted to move. While the two nonunion employees were in a lunch room getting coffee along the road at night, their truck was tampered with so that it would not start when they came out. As they stood on the fenders, raising the hood to check what was wrong, they were attacked by men coming from the dark side of the truck, held, beaten, knocked to the ground, and otherwise pummeled until nearly unconscious.

Whether the attackers were drunk I do not know, but, drunk or sober, their acts were not rational or normal. As identified by the victims, they had been respected, trusted, long-time employees of the company. People in the community who have written me about the incident say they do not believe these men proposed the attack and are at a loss to understand it, save by incitement of the international committee in Chicago which ordered the strike and which has done its best to inflame the men in this local a thousand miles away.

Now, it was a tragedy that the two men should have been beaten in this brutal way. One of them may have suffered a permanent injury to an eye. But it is an even greater tragedy for America, in my opinion, that eight normally rational and respected men should have been incited to such an inhuman piece of gangsterism. It has no place in America.

It is all very well to say, "We cannot control what men do." It is all very well to say, "We must not consider labor legislation now; we must give the President's management and employee conference a chance to work out a plan for voluntary arbitration of industrial disputes"; but I want to say without qualification that such action or lack of action will not and does not satisfy the rank and file of the American people.

Nor do I believe that the United States can leave to management and labor the answer to all questions involved in labor disputes. Sometimes one, and sometimes the other is at fault. Sometimes one, and sometimes the other, refuses to negotiate or arbitrate. There must be a court or tribunal to which either one can appeal.

And above and beyond that, Mr. Speaker, there must be a place where a third party, the public, can appeal, in all

disputes involving health, safety, and a high degree of public welfare.

For that reason, Mr. Speaker, I believe it is the duty of the Congress to provide a labor tribunal to which either party can appeal in a contested interpretation of a labor contract, and to which the public can appeal in any work stoppage affecting public health or safety and high public interest.

There must be positive provisions of law to give such a court the strength and dignity necessary to permit it to do the needed job. It must have power to enforce contracts, to punish wildcat strikes on the one hand, or irresponsible lock-outs on the other.

I recognize that under the Constitution we cannot have involuntary servitude in America and we do not want it. But this Nation has gone a long way to set up social security for the workers and protection of property for the employers. Surely, the Nation has the power to stop or deny benefits which it has created when the conduct of the recipients is such as to jeopardize the ability of the Nation to continue them.

No work stoppage should be permitted, by whatever party proposed, which endangers the health and safety of the Nation or the lives of its citizens under penalty of forfeiture of the benefits which the Nation has established. And no work stoppage should be permitted in the field of public health and safety without due notice to the public and a submission of the issues at stake to a properly constituted tribunal.

Mr. Speaker, nothing less than this will satisfy the awakening conscience and indignation of the country. The Nation which has fought for peace abroad demands peace at home.

#### THE SUGAR SITUATION

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. JONKMAN] is recognized for 15 minutes.

(Mr. JONKMAN asked and was given permission to revise and extend his remarks.)

Mr. JONKMAN. Mr. Speaker, amidst all of the bungling of food administration by the Federal Government throughout the war, none has been more confused than the administration-made chaotic conditions concerning sugar.

The rationing of meat and other commodities, finally lifted on November 23, 1945, should have been lifted months before. But sugar still remains a rationed food, and probably will remain on the rationing list for many months to come simply because those in authority who presume to be experts, mismanaged procurement of adequate sugar supplies. Even at this late date final agreement with Cuban producers, the principal source of our supply, has not been reached, although negotiations have been going on sporadically for five or more months, and the crop itself was planted last May and June.

The Republican Congressional Food Study Committee which, I am glad to point out, has been correct in its analysis of every phase of our food problems since its creation 2½ years ago, has made a very careful study of our potential 1946

sugar supply. In this study we have found that there will be a very substantial increase in the amount of sugar available for civilian use in 1946. If this unofficial committee, composed of Members of Congress, who have a vast number of other congressional duties to perform, can ascertain the facts in matters of this kind, why is it that the governmental agencies directly responsible under the law to handle these problems, cannot or do not ascertain the facts, make decisions and promulgate the necessary regulations, allocations, and information so that the American people can know just what they are facing?

As I shall point out in a detailed analysis, there will be available for civilian domestic consumption in 1946 some 6,500,000 short tons of sugar, as compared with approximately 5,000,000 tons allocated in the year 1945. This means that a very substantial increase can be made in 1946 over the amounts allocated to civilian and commercial usage in 1945.

Industry is entitled to know and to be advised by the Government at the earliest possible moment so that it can plan accordingly. This has not been the practice of the administration during recent years. American industry has not survived and grown under the American system through utter stupidity and luck, but because it has been able to gage and plan its course. Those responsible in the Department of Agriculture and the Office of Price Administration should recognize this fact and stop their everlasting procrastination in reaching decisions or in making false promises. They should immediately make known to industry what the allocations will be for the first quarter of 1946 and certainly not later than December 1 or December 10.

The domestic sugar-beet and sugarcane crops that will be used for 1946 consumption are almost completely harvested. The harvest of the Cuban sugar crop, planted months ago, will begin about January 15, while the Puerto Rico crop, planted about the same time, will come to its harvest around the 1st of February. Industry and trade already knows what the probable harvest from these primary sources will be. The Department of Agriculture should act so that the industrial users and the civilian consumers of the country will know the facts and be able to plan.

One of the largest commercial users of sugar is the baking industry. In 1944 all commercial users were allocated 80 percent of their 1941 consumption. In 1945 the bakers were cut to 65 percent, and all others, except pharmaceutical manufacturers were reduced to 50 percent of their 1941 consumption. The baking industry will have an increased demand for their products in 1946 with the return of many of our servicemen and women to civilian life, while military requirements of sugar will be decreased proportionately. Thus with increased supplies, it becomes more necessary that early announcement be made of the substantially increased allocations that are possible.

A few weeks ago a report came to this country that 1,600,000 short tons of sugar had been found in Java. According to the report we have received, this infor-



information was delivered to the Secretary of Agriculture late in the day and he immediately called in newspaper reporters without checking with his sugar experts or his own public relations office, to rush into print with the story that all of our sugar problems would be solved by this discovery. We are informed further that officials of the United States Army have made an investigation in Java, and they have found that there is raw sugar in Java equivalent to 1,400,000 tons, 1,000,000 tons of which is in bags and 400,000 tons of which is in bulk. This sugar is distributed in different parts of Java where civil war is going on. Some of it is at ports where lighters will have to be used to load it onto ships, if ships can be made available. Bags will have to be imported from India in which to place the bulk sugar. From the best information available, and notwithstanding the statement of the Secretary of Agriculture, it would appear that not one single pound of that Javanese sugar will become available for American use in 1946. If it does become available, then the following carefully prepared estimate of sugar supplies should be increased by that amount.

The following table is a composite tabulation of information from at least three different sources within the sugar industry of availability of sugar in 1946:

*Sugar supply, 1946*

Stock:	Short tons
Carry-over, Dec. 31, 1945.....	900,000
Cuba.....	4,650,000
Puerto Rico.....	1,050,000
Hawaii.....	900,000
Domestic:	
Beet.....	1,500,000
Cane.....	550,000
Miscellaneous.....	50,000
Total.....	9,600,000
Less:	
Local consumption: Cuba and	
Puerto Rico.....	300,000
South America.....	150,000
United Kingdom and Canada.....	600,000
Total.....	1,050,000
Available to United States.....	8,550,000
Military requirements.....	350,000
Foreign relief.....	250,000
Total.....	600,000
Net available.....	7,950,000
Carry-over, Dec. 31, 1946.....	1,450,000
Net available to United	
States civilians in 1946.....	6,500,000

It will be noted in the foregoing table that in addition to eliminating any sugar from Java, it is contemplated that there will be no sugar available from the Philippine Islands; at least one trade source estimates that we may secure 150,000 tons from the Philippine Islands. If we do, it should be added to this table. It is also probable that the amount of sugar for foreign relief can be slightly reduced from the 250,000 tons stated in this table. There is a surplus of sugar in Czechoslovakia which can be used for relief purposes in Yugoslavia and Greece.

Just as the Office of Price Administration regulations were responsible for and created black markets in other commodities, the mismanagement of the problems related to sugar production and distribution are responsible for a kindred situation.

At least two large companies, one preparing sirup for commercial users and the other a soft-drink beverage corporation, are reliably reported to have devised methods for evading the restrictions on sugar consumption made necessary by poor administration. One of these companies is reported to have leased four of the largest sugar mills in Louisiana, and is offering a sirup to commercial users at a price of \$1.50 to \$2 a gallon, which contains the equivalent of about 8 or 9 pounds of sugar. These mills will be able to process sugarcane equivalent to some 15,000 tons of refined sugar.

Mr. Speaker, by way of emphasis, I repeat, there is every indication that after making allowances of an increase of 500,000 or more tons of sugar for carry-over from one season to the other, there will be available for civilian domestic consumption at least 1,500,000 more tons than was available in 1945. The Secretary of Agriculture should take steps now to make allocations for the first quarter of 1946 for commercial use and home consumption substantially greater than were made for the first quarter of 1945. It is recognized that much of this sugar will not be available until the quarter is half over. But if the Department of Agriculture and the Office of Price Administration are more interested in the welfare of the American people than in the maintenance of governmental bureaucracy regimenting them into un-American patterns, the people will be promptly informed of sugar allotments for 1946, and industry will be able to plan accordingly.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. JENKINS. I am very much interested in what the gentleman says about the taking over of certain sugar factories in this country by certain industries. For instance, I had a rumor—it might be a rumor or it might not be—less than an hour ago to the effect there is some sort of order about to come out from Chester Bowles' office or some other office, which if it is announced will indicate that one of these great concerns is going to be given preference that no other concern of the kind in the country will be given. I hate to ask the gentleman about a rumor, but since he is the outstanding sugar man in the House I thought perhaps he might know something about it.

Mr. JONKMAN. I have heard such a rumor myself. We are trying to verify it at the present time, we are checking up and will probably have some information a little later.

#### DISCHARGE OF MIDSHIPMEN FROM UNITED STATES NAVAL ACADEMY

Mr. VINSON submitted the following conference report and statement on the bill (H. R. 1064) to authorize discharge of midshipmen from the United States Naval Academy by the Secretary of the Navy because of unsatisfactory conduct or aptitude:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1064)

to authorize the discharge of midshipmen from the United States Naval Academy by the Secretary of the Navy because of unsatisfactory conduct or aptitude, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the House amendment insert the following: "or whenever it is determined by a unanimous decision of the Academic Board that any midshipman possesses insufficient aptitude for becoming a commissioned officer in the naval service"; and the House agree to the same.

That the House recede from its amendment to the title of the bill.

CARL VINSON,  
LYNDON B. JOHNSON,  
W. STERLING COLE,

*Managers on the Part of the House.*

DAVID I. WALSH,  
MILLARD E. TYDINGS,  
LEVERETT SALTONSTALL,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1064) to authorize the discharge of midshipmen from the United States Naval Academy by the Secretary of the Navy because of unsatisfactory conduct or aptitude, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

In authorizing the discharge of midshipmen from the Naval Academy by the Secretary of the Navy the House amended the Senate bill by striking out the words "or that any midshipman has demonstrated that he possesses insufficient aptitude for becoming a commissioned officer in the naval service". The conferees on the part of the House receded from the House amendment and accepted in lieu thereof a modification of the Senate version which requires unanimous decision of the Academic Board before a midshipman can be discharged for insufficient aptitude.

CARL VINSON,  
LYNDON B. JOHNSON,  
W. STERLING COLE,

*Managers on the Part of the House.*

#### PROVIDE FOR NATIONAL ELECTIONS IN THE PHILIPPINE ISLANDS

Mr. BELL. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a committee report on House Joint Resolution 278, to provide for national elections in the Philippine Islands.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### RECESS

The SPEAKER. Without objection, the House will stand in recess until 3:45 p. m.

There was no objection.

Accordingly (at 3 o'clock and 17 minutes p. m.), the House stood in recess until 3 o'clock and 45 minutes p. m.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 45 minutes p. m.

#### COMMITTEE ON APPROPRIATIONS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that



the Committee on Appropriations may have until midnight tonight to file a conference report and statement on the so-called rescission bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 26.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 10, 11, 12, 15, 20, 24, 25, 28, 33, 34, 35, 36, 37, 38, 41, 42, 44, 45, 47, 48, 49, 51, 52, 54, 55, 56, 57, 58, 59, and 60; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,884,400"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$180,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$47,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$6,912,558"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$28,750"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$237,500"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$537,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$47,500"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amend-

ment insert "\$440,794,164"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$666,040,849"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000."

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lines 2 and 3 of the second paragraph of the matter inserted by said amendment strike out the words "one hundred and twentieth" and insert in lieu thereof "one hundredth"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$54,107,572"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$2,945,503,585"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$3,919,338,479"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$541,018,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,514,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,675,684,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$11,900,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$2,575,225,500"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,248,510,540"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,359,367,650"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$800,374,950"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$14,370,159,964"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In line 9 of the matter inserted by said amendment strike out the word "further"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 32 and 39.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. RUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

KENNETH MCKELLAR,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
JOHN H. OVERTON,  
C. WAYLAND BROOKS,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*



## STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1, 2, 3, and 4, relating to the Foreign Economic Administration: Rescind \$3,884,400, instead of \$5,226,461, as proposed by the House, and \$3,437,042, as proposed by the Senate, and adjust amount limitations accordingly.

Nos. 5, 6, 7, 8, and 9, relating to salaries and expenses, Office of War Information: Rescind \$6,912,558, instead of \$10,662,558, as proposed by the House, and \$5,662,553, as proposed by the Senate, and adjust amount limitations accordingly.

Nos. 10, 11, and 12, relating to salaries and expenses, Office of Strategic Services: Rescind \$9,500,000, as proposed by the Senate, instead of \$11,500,000, as proposed by the House, and adjust amount limitations accordingly, as proposed by the Senate.

No. 13: Corrects a total.

No. 14, relating to the Federal Communications Commission: Rescinds \$465,000, instead of \$930,000, as proposed by the House, and no rescission, as proposed by the Senate.

No. 15: Strikes out, as proposed by the Senate, the additional appropriation of \$30,000,000 proposed by the House for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith.

No. 16: Corrects a total.

No. 17: Retains the House provision pertaining to the emergency rubber project, Department of Agriculture, instead of the Senate provision, amended, however, to continue the appropriation available until December 31, 1946, for completing the liquidation of the project.

Nos. 18 and 19, relating to the Department of the Interior: Rescind \$13,000 for salaries and expenses, Division of Geography, instead of \$20,000, as proposed by the House, and no rescission, as proposed by the Senate; and rescind \$2,500,000 for salaries and expenses, War Relocation Authority, instead of \$5,000,000, as proposed by the House, and no rescission, as proposed by the Senate.

No. 20, relating to the Federal Bureau of Investigation: Rescinds \$1,240,000, as proposed by the Senate, instead of \$2,480,000, as proposed by the House.

No. 21, relating to the United States Employment Service: Accepts the Senate provision for returning to the States the employment services which were loaned to the Federal Government at the beginning of 1942, pursuant to the request of the President, but provides for an outside return date of 100 days after the enactment of the bill, instead of 120 days, as the Senate amendment proposed.

Nos. 22 and 23: Correct totals.

No. 24, relating to access roads, Public Roads Administration: Rescinds \$2,576,845, as proposed by the Senate, instead of \$3,076,845, as proposed by the House.

No. 25, relating to the Alien Property Custodian: Makes no rescission, as proposed by the Senate, instead of rescinding \$500,000, as proposed by the House.

Nos. 26 to 31, and 33 to 39, inclusive, relating to the Military Establishment: Provides for rescissions as follows, either as proposed by the House or Senate or in lieu of such proposals:

Contingencies of the Army, \$12,829,151;  
Welfare of enlisted men, \$5,000,000;

Regular supplies of the Army, \$541,018,000;  
Horses, draft and pack animals, \$1,514,000;  
Signal service of the Army, \$1,675,684,000;  
Medical and Hospital Department, Army, \$267,539,000;

Engineers service, Army, \$2,306,763,000; and subhead engineer service, \$2,011,648,000;

Ordnance service and supplies, Army, \$8,100,000,000;

Army of the Philippines, \$200,000,000, and the Senate proposal with regard to service of the military forces of the government of the Commonwealth of the Philippines in the service of the armed forces of the United States.

Also include provision proposed by the Senate that, before any permanent fields are determined upon or permanent buildings erected thereon, the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Nos. 40 to 61, inclusive, relating to the Naval Establishment: Provide for rescissions as follows, either as proposed by the House or Senate or in lieu of such proposals:

Miscellaneous expenses, Navy, 1946, \$11,900,000;

Instruction, Navy, 1946, \$6,000,000;

Naval Reserve, 1946, \$38,262,000;

Ordnance and ordnance stores, Navy, 1946, \$2,575,225,500;

Pay, subsistence, and transportation, Navy, 1944, \$69,247,269;

Maintenance, Bureau of Yards and Docks, 1946, \$5,000,000;

Public works, Bureau of Yards and Docks (contractual authorization), \$1,248,510,540; that the \$400,000,000 rescission of the appropriation shall not act to reduce further the contractual authority; and that \$6,000,000 of funds available for advance bases shall be available toward reconstruction of the civilian economy of Guam. It was agreed by the conference committee that \$6,000,000 of the restored amount of contractual authorization should be used for construction of hospital at Beaufort, S. C.

Aviation, Navy, 1946, \$1,359,367,600; and subhead for new construction, \$128,116,900; subhead for maintenance, \$300,374,950; subhead for experiments and development, \$148,256,500;

Pay, Marine Corps, 1944, \$40,521,480;

General expenses, Marine Corps, 1946, \$307,750,000;

Increase and replacement of naval vessels, emergency construction: \$24,100,000 made available for construction of 5 advanced-type combatant vessels and 17 minor craft.

Provide for issuance of uniforms to enlisted men, as proposed by the Senate, extending somewhat the scope of the provision proposed by the House.

Provide that personnel of the Naval Reserve, not qualified for sea duty, shall, upon their application, be placed on inactive duty if surplus to requirements.

Provide for movement of household effects of civilian and naval personnel on duty at locations outside the continental limits of the United States, or in Alaska.

No. 62, relating to flying personnel of the Army and Navy: Conditions flight pay upon certain specific orders; requires annual reports to Congress on certain flying personnel and authorized flight pay; and calls for submission to Congress on or before January 3, 1946, of a joint recommendation by the Secretary of War and the Secretary of the Navy for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

## AMENDMENTS IN DISAGREEMENT

Amendments reported in disagreement are as follows:

No. 32, relating to the rescission proposed as to Air Corps, Army, 1942-46.

No. 39, relating to a total.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

Mr. CANNON of Missouri. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CANNON of Missouri. Mr. Speaker, may I ask if this conference report on the rescission bill can be made the first order of business on Monday next?

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield, I have previously announced that if the conference report on the so-called rescission bill is not acted on today, it will be the first order of business on Monday after the call of bills on the Consent Calendar.

Mr. CANNON of Missouri. Mr. Speaker, may I ask the majority leader if it will be possible to make this the first order of business on Monday?

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conference report on the rescission bill may precede the call of the Consent Calendar on Monday.

The SPEAKER. It is not necessary to obtain unanimous consent for that. The Chair can recognize the gentleman to call up the conference report before the call of the Consent Calendar and will do so.

Mr. MARTIN of Massachusetts. That will be agreeable to me, Mr. Speaker.

Mr. CANNON of Missouri. Then I shall ask recognition to call up the conference report immediately after the reading of the Journal.

## EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include a letter from Admiral Denfeld regarding the moral situation in Tokyo.

## FOREIGN POLICY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have introduced a resolution of inquiry requesting the Secretary of State to report to the House full information regarding the sabotage of our foreign policy in China and full information regarding the resignation of Gen. Patrick Hurley as ambassador.

Mr. Speaker, in case the chairman of our Committee on Foreign Affairs does not call General Hurley, I have asked



FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION BILL, 1946

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NOVEMBER 30, 1945.—Ordered to be printed

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Mr. CANNON, from the committee of conference, submitted the  
following

CONFERENCE REPORT

[To accompany H. R. 4407]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 26.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 10, 11, 12, 15, 20, 24, 25, 28, 33, 34, 35, 36, 37, 38, 41, 42, 44, 45, 47, 48, 49, 51, 52, 54, 55, 56, 57, 58, 59, and 60, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,884,400; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$180,000; and the Senate agree to the same.



Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$47,500; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,912,558; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$28,750; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$237,500; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$587,500; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$47,500; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$440,794,164; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

*Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000.*

And the Senate agree to the same.

## Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$666,040,849; and the Senate agree to the same.

## Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

*Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: Provided, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project.*

And the Senate agree to the same.

## Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

*Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000.*

And the Senate agree to the same.

## Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

*War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000.*

And the Senate agree to the same.

## Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lines 2 and 3 of the second paragraph of the matter inserted by said amendment strike out the words "one hundred and twentieth" and insert in lieu thereof *one hundredth*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

\* In lieu of the sum proposed in said amendment insert \$54,107,572; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$2,945,503,585; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$3,919,838,479; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$541,018,000; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$1,514,000; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$1,675,684,000; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$11,900,000; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$2,575,225,500; and the Senate agree to the same.



Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$1,248,510,540; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$1,359,367,650; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$800,374,950; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows:

In lieu of the sum proposed in said amendment insert \$14,370,159,964; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows:

In line 9 of the matter inserted by said amendment strike out the word "further"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 32 and 39.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

KENNETH MCKELLAR,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
JOHN H. OVERTON,  
C. WAYLAND BROOKS,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1, 2, 3, and 4, relating to the Foreign Economic Administration: Rescind \$3,884,400, instead of \$5,226,461, as proposed by the House, and \$3,437,042, as proposed by the Senate, and adjust amount limitations accordingly.

Nos. 5, 6, 7, 8, and 9, relating to salaries and expenses, Office of War Information: Rescind \$6,912,558, instead of \$10,662,558, as proposed by the House, and \$5,662,558, as proposed by the Senate, and adjust amount limitations accordingly.

Nos. 10, 11, and 12, relating to salaries and expenses, Office of Strategic Services: Rescind \$9,500,000, as proposed by the Senate, instead of \$11,500,000, as proposed by the House, and adjust amount limitations accordingly, as proposed by the Senate.

No. 13: Corrects a total.

No. 14, relating to the Federal Communications Commission: Rescinds \$465,000, instead of \$930,000, as proposed by the House, and no rescission, as proposed by the Senate.

No. 15: Strikes out, as proposed by the Senate, the additional appropriation of \$30,000,000 proposed by the House for grants to States for administration of unemployment compensation and employment service facilities operated in conjunction therewith.

No. 16: Corrects a total.

No. 17: Retains the House provision pertaining to the Emergency Rubber Project, Department of Agriculture, instead of the Senate provision, amended; however, to continue the appropriation available until December 31, 1946, for completing the liquidation of the project.

Nos. 18 and 19, relating to the Department of the Interior: Rescind \$13,000 for salaries and expenses, Division of Geography, instead of \$20,000, as proposed by the House, and no rescission, as proposed by the Senate; and rescind \$2,500,000 for salaries and expenses, War Relocation Authority, instead of \$5,000,000, as proposed by the House, and no rescission, as proposed by the Senate.

No. 20, relating to the Federal Bureau of Investigation: Rescinds \$1,240,000, as proposed by the Senate, instead of \$2,480,000, as proposed by the House.

No. 21, relating to the United States Employment Service: Accepts the Senate provision for returning to the States the employment services which were loaned to the Federal Government at the beginning of 1942, pursuant to the request of the President, but provides for an outside return date of 100 days after the enactment of the bill, instead of 120 days, as the Senate amendment proposed.

Nos. 22 and 23: Correct totals.

No. 24: Relating to access roads, Public Roads Administration: Rescinds \$2,576,845, as proposed by the Senate, instead of \$3,076,845, as proposed by the House.

No. 25, relating to the Alien Property Custodian: Makes no rescission, as proposed by the Senate, instead of rescinding \$500,000, as proposed by the House.

Nos. 26 to 31, and 33 to 39, inclusive, relating to the Military Establishment: Provide for rescissions as follows, either as proposed by the House or Senate or in lieu of such proposals:

Contingencies of the Army, \$12,829,151;

Welfare of enlisted men, \$5,000,000;

Regular supplies of the Army, \$541,018,000;

Horses, draft and pack animals, \$1,514,000;

Signal service of the Army, \$1,675,684,000;

Medical and Hospital Department, Army, \$267,539,000;

Engineer service, Army, \$2,306,763,000; and subhead Engineer service, \$2,011,648,000;

Ordnance service and supplies, Army, \$8,100,000,000;

Army of the Philippines, \$200,000,000; and the Senate proposal with regard to service of the military forces of the government of the Commonwealth of the Philippines in the service of the armed forces of the United States.

Also include provision, proposed by the Senate that, before any permanent fields are determined upon or permanent buildings erected thereon, the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Nos. 40 to 61, inclusive, relating to the Naval Establishment: Provide for rescissions as follows, either as proposed by the House or Senate or in lieu of such proposals:

Miscellaneous expenses, Navy, 1946, \$11,900,000;

Instruction, Navy, 1946, \$6,000,000;

Naval Reserve, 1946, \$38,262,000;

Ordnance and ordnance stores, Navy, 1946, \$2,575,225,500;

Pay, subsistence, and transportation, Navy, 1944, \$69,247,269;

Maintenance, Bureau of Yards and Docks, 1946, \$5,000,000;

Public works, Bureau of Yards and Docks (contractual authorization), \$1,248,510,540; that the \$400,000,000 rescission of the appropriation shall not act to reduce further the contractual authority; and that \$6,000,000 of funds available for advance bases shall be available toward reconstruction of the civilian economy of Guam. It was agreed by the conference committee that \$6,000,000 of the restored amount of contractual authorization should be used for construction of hospital at Beaufort, S. C.

Aviation, Navy, 1946, \$1,359,367,650; and subhead for new construction, \$128,116,900; subhead for maintenance, \$800,374,950; subhead for experiments and development, \$148,256,500;

Pay, Marine Corps, 1944, \$40,521,480;

General expenses, Marine Corps, 1946, \$307,750,000;

Increase and replacement of naval vessels, emergency construction: \$24,100,000 made available for construction of 5 advanced-type combatant vessels and 17 minor craft.

Provide for issuance of uniforms to enlisted men, as proposed by the Senate, extending somewhat the scope of the provision proposed by the House.



Provide that personnel of the Naval Reserve, not qualified for sea duty, shall, upon their application, be placed on inactive duty if surplus to requirements.

Provide for movement of household effects of civilian and naval personnel on duty at locations outside the continental limits of the United States, or in Alaska.

No. 62, relating to flying personnel of the Army and Navy: Conditions flight pay upon certain specific orders; requires annual reports to Congress on certain flying personnel and authorized flight pay; and calls for submission to Congress on or before January 3, 1946, of a joint recommendation by the Secretary of War and the Secretary of the Navy for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

#### AMENDMENTS IN DISAGREEMENT

Amendments reported in disagreement are as follows:

No. 32, relating to the rescission proposed as to Air Corps, Army, 1942-46.

No. 39, relating to a total.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*









DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued December 4, 1934, for actions of Monday, December 3, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Both Houses agreed to conference report on appropriation-rescission bill; ready for President. Senate rejected motion to consider UNRRA appropriation bill. President's labor-management message received. Rep. Flannagan introduced revised agricultural-credit agency bill. Rep. Rees commended free-enterprise system.

HOUSE

1. APPROPRIATION RESCISSION. Both Houses agreed to the conference report on this bill, H.R. 4407 (pp. 11490-2, 11505-13). The House receded on the items (not of interest) in disagreement (p. 11513). This bill will now be sent to the President. (For provisions of interest see Digests 181, 183, 201, 205, and 212.) Reps. Roage, Tex., Patrick, Ala., Wickersham, Okla., Johnson, Ill., and Johnson, Calif., spoke opposing early liquidation of the guayule-rubber program (pp. 11510-1). Rep. Jenkins, Ohio, Marcantonio, N.Y., Dirksen, Ill., and Eberharter, Pa., discussed the item relating to the return of employment services to the States (pp. 11508-11).
2. EXPORT-IMPORT BANK; PHILIPPINES. Passed without amendment H.R. 4683, to authorize the Export-Import Bank to extend its operations so as to include the Philippine Islands (pp. 11517-22). Rep. Spence, Ky., inserted a statement of loans and commitments of the bank (pp. 11517-22).
3. WAR POWERS. Passed without amendment H.R. 4780, to terminate certain powers authorized by the Second War Powers Act (pp. 11522-36). Passed as reported H.R. 4571, to amend the First War Powers Act with respect to alien property held by the Alien Property Custodian (pp. 11537-47).
4. FOOD PRODUCTION; MARKETING; FREE ENTERPRISE. Rep. Rees, Kans., spoke favoring retention of the free-enterprise system in American agriculture and opposing a communistic system, stating, "Communism is wholly reactionary--a step backwards" (p. 11547).

SENATE

5. UNRRA APPROPRIATION BILL. Rejected Sen. Morse's (Oreg.) motion to consider this bill, H. J. Res. 266 (pp. 11486-90).
6. FIRST DEFICIENCY APPROPRIATION BILL, 1946. Sen. Mitchell, Wash., submitted his proposed amendments to this bill, H. R. 4805, to increase the "special fund" for the Bureau of Reclamation by \$2,400,000 (pp. 11468-9).
7. PRESIDENT'S MESSAGE; LABOR. Both Houses received the President's message on labor-management relations (pp. 11471-2, 11513-5).
8. PERSONNEL; DETAILS. Received the Nov. 1945 report relating to persons employed by committees who are not full-time employees of the Senate or any committee thereof (including 1 Department employee with the Education Committee and 2 with the Public Lands and Surveys Committee) (pp. 11466-7).
9. GEORGE WASHINGTON CARVER DAY. The Judiciary Committee reported with amendment H. J. Res. 111, designating Jan. 5 as George Washington Carver Day (S. Rept. 806) (p. 11466).
10. ELECTRIFICATION. Received the Federal Power Commission's report, "The Finance Record of the Electric Utility Industry" (p. 11464).
11. IRRIGATION. Sen. Butler, Nebr., inserted a Grand Island (Nebr.) Rotary Club resolution favoring the Mid-State Public Power and Irrigation District project (p. 11465).
12. FOREIGN AFFAIRS. Continued debate on S. 1580, the UNO bill (pp. 11464, 11479-86, 11492-503).
13. FOREIGN LOANS. Sen. Moore, Mo., inserted his letter to Assistant Secretary of State Clayton making suggestions for conditions of the proposed loan to Britain (p. 11478).

BILLS INTRODUCED

14. AGRICULTURAL CREDIT AGENCY. H. R. 4873, by Rep. Flannagan, Va., to create an agricultural credit agency, to consolidate therein all Federal agricultural lending agencies, and to create a public farm-appraisal system. To Agriculture Committee. (p. 11548.)
15. ASSISTANT SECRETARIES OF COMMERCE. H. R. 4871, by Rep. Lea, Calif., to provide for the appointment of three additional Assistant Secretaries of Commerce. To Interstate and Foreign Commerce Committee. (p. 11548.)

ITEMS IN APPENDIX

16. PRICE CONTROL. Sen. Wagner, N.Y., inserted James Patton's (Farmers' Union) letter endorsing OPA's cost-absorption policy and Price Administrator Chester Bowles' letter and questionnaire explaining and supporting this policy (pp. A5609-11).
17. GOVERNMENT REORGANIZATION. Speech in the House by Rep. Church, Ill., discussing the "imperative need for a thorough reorganization," the reorganization bill H.R. 4129, and other methods of reorganization (p. A5612-3).



member of the Foreign Relations Committee, and the Senator from New Mexico [Mr. HATCH] a member of the Foreign Relations Committee, and myself, a member of the committee, all took the same position on the floor in the debate that the Senator from Georgia and the Senator from Kentucky took.

Mr. WHEELER. Mr. President, I recall very distinctly that the Senator from Illinois took that position on the floor of the Senate, and that the Senator from Alabama took that position on the floor of the Senate. But I am speaking of when Mr. Dulles made his statement before the committee. I have read the testimony very carefully, and I find that the chairman of the committee, who was a delegate to the San Francisco Conference, and Mr. Dulles, who was our legal adviser, and the Senator from Michigan, who was a delegate to the San Francisco Conference, all took the opposite view at that particular time, and the two Senators in question took that view on the floor of the Senate.

Frankly I do not think it makes a great deal of difference from the technical standpoint as to whether or not the agreements must be passed upon by both Houses of Congress, or ratified by a two-thirds majority of the Senate. I am not particularly interested in that question. But I do say that all leading authorities on international law have stated that in their judgment it is a very close question, and likewise that the question of giving the power to the President of the United States to send a delegate with the right to vote to send a portion of our Army, however small it may be, to put down aggression anywhere in the world, is a very close question of constitutional law.

Mr. President, I have offered an amendment dealing with that subject, and I intend on the floor of the Senate tomorrow to quote from some of the leading authorities upon that subject. I am perfectly aware that most Members of the Senate of the United States will vote against such an amendment. Nevertheless, I want my own record to be clear. I want to go on record to show my position with reference to the lack of constitutional authority for giving the President that power.

Mr. President, I do not intend to filibuster on the bill in the slightest degree. I think it is regrettable that anyone should say that because a Senator wants to discuss a constitutional question on the Senate floor for a day and a half or 2 days he was indulging in a filibuster, and to try to create such an impression throughout the United States. After all there is no great hurry for the passage of this bill today or tomorrow or the next day. When the Bretton Woods agreements were under consideration we were told that they must be acted upon without delay. We were told that all the countries of the world were waiting breathlessly to see what the United States of America would do to the Bretton Woods agreements. We were told we had to pass that legislation immediately, and that if we did not do so possibly the world would go to pieces. We did pass the legislation. What other

nations have joined us in the Bretton Woods agreements? Has England, our great ally, joined us? Has Russia, another great peace-loving nation, joined us in the Bretton Woods agreements? If they have not done so, what other nations have joined? We listened to the overwhelming propaganda respecting the Bretton Woods agreements. We were urged by newspaper columnists and radio commentators to pass the legislation. They presented the urgent necessity for immediate passage. They wanted hardly any discussion on the floor of the Senate. Mr. President, it has come to the point now where we are a nation controlled by propaganda. As I said at the outset, a delay of a day or 2 days is not going to jeopardize the pending legislation. The Congress will pass it in a short time. I simply rose to correct the idea that there was any filibuster in the Senate simply because a few Senators had the temerity to raise a constitutional question respecting the pending bill.

Mr. MEAD. Mr. President, I hope that, regardless of what determination we may make with respect to the pending bill, we will move to expedite the legislative program. I had intended to speak on the question of UNRRA for the last several days, but in the hope of expediting the passage of the pending bill I have refrained from taking any time of the Senate. However, Mr. President, I want to say that the Senate could meet earlier than it has been meeting and could remain in session longer and in that way expedite consideration of the pending bill.

I want to point out that the situation in the Old World is very serious, in fact it is tragic. People are depending upon us for UNRRA relief. We are the only nation which has not paid its full complement toward the initial UNRRA appropriation. People who are depending upon the balance of our originally pledged contribution are dying by the thousands. The pipe line is empty, and no supplies are being put into it.

Mr. President, this is a serious situation. Unless this appropriation for UNRRA is provided at a very early date it will not be possible to place orders in this country. Therefore no shipments will be made, and not only will there be prolonged suffering but all the good we have thus far accomplished will be of little or no avail. If we could file orders now, if we had the money now, shipments could be inaugurated. The pipe line would not remain empty for long, and relief would be forthcoming before it was too late.

The money which we appropriate will be used in great measure to buy surplus property, commodities, and food now being held by the military. Practically all the money will be spent in this country. It will be spent in a good cause. So I hope, in view of the tragedy of the situation, that we will make a decision here and now to expedite the consideration of legislation, even if it requires earlier sessions, and even if we are required to remain here after 3 o'clock in the afternoon. I remind the Senate that we left here at 3 o'clock last Friday afternoon.

Mr. President, there is pending a legislative program of vast importance. With that realization, and with the hope of being able to spend some time at home during the holidays, I trust that we will seriously consider the situation which confronts us and begin early and work late until we enact the program of pending legislation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. MORSE. I wonder if the Senator from New York is aware of the fact that the reason given—at least in the press—for the Senate taking a recess at 3 o'clock Friday afternoon, and certainly the reason given in the cloakrooms, was that we could not obtain a quorum if one had been called for.

Mr. MEAD. I do not know what the reason was, but I hope that, regardless of what action we take on this vote, we will make it our business to enact the pending bill as speedily as possible, and then do likewise with the UNRRA appropriation bill.

Mr. BARKLEY. Mr. President, before a vote is taken on the pending motion, I should like to say a few words.

The UNRRA appropriation bill, in which I am tremendously interested, and in which I have manifested an interest from the very beginning, is the next order of business, so far as I know. I have conferred with the acting chairman of the Committee on Appropriations, the Senator who is now presiding [Mr. McKELLAR] and also with the Senator from Texas [Mr. CONNALLY], in whose committee UNRRA originated. The UNRRA appropriation bill is the next order of business. I do not know how long a time will be required to dispose of it. I hope it may be disposed of speedily. I hope that the pending bill may be disposed of today. Whether that is possible, I am not in a position to predict. I am sure that the Senate is perfectly willing to spend as many hours as may be necessary in session considering this legislation. While it is true that on Friday the Senate took a recess at 3 o'clock, on the day before it remained in session until after 6. So Friday's early recess was not necessarily a criterion of Senatorial industry.

I hope that the motion to set aside the unfinished business will not be agreed to. I can assure the Senate that immediately upon the conclusion of consideration of the pending bill the UNRRA appropriation bill will be taken up for consideration.

Mr. WHITE. Mr. President, I am in complete harmony with the views expressed by the majority leader, the Senator from Kentucky. A program has been agreed to more or less definitely. It contemplated, first, the consideration and disposition of the bill which is now before the Senate. I understand that it then contemplated that the UNRRA appropriation bill would be taken up. When there has been such a general understanding, it seems to me that to set aside the unfinished business would be unwise in the extreme, and would not make for haste in the consideration of either piece of legislation,



but would tend rather to confusion, and perhaps some discord. I fear that the net result would be harmful to both pieces of legislation rather than beneficial to either. So I express the hope that the motion to lay aside the unfinished business and proceed with the UNRRA measure will not prevail.

Mr. KNOWLAND. Mr. President, I wish to join with the Senator from Oregon [Mr. MORSE] in expressing the hope that the UNRRA legislation may be taken up at this time, and also the hope that the distinguished leader on the other side of the aisle will see his way clear to join in this motion.

I speak as one on this side of the aisle who is supporting the Committee on Foreign Relations in its report to the Senate, and opposing any amendment to the pending bill. I speak as one on this side of the aisle who is supporting the UNRRA legislation as it comes from the committee handling that measure.

As one who has had some personal experience overseas, and has made some personal observation of the critical situation facing the nations of Europe and the stark hunger, famine, and disease which are now prevalent overseas, it seems to me that a delay of 2 or 3 days, or even a day, is far more critical when human life is confronted with hunger and disease. It seems to me that if my distinguished colleagues on the other side of the aisle would join with us at this time we could put the UNRRA legislation through and get it behind us.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE], to proceed to the consideration of House Joint Resolution 266. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. THOMAS of Utah (after having voted in the negative). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from New Mexico [Mr. HATCH] and allow my vote to stand. I am informed that if present and voting, the Senator from New Mexico would vote as I have voted.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Arizona [Mr. McFARLAND] is absent because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], and the Senator from West Virginia [Mr. KILGORE] are necessarily absent.

The Senator from New Mexico [Mr. HATCH], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Florida [Mr. PEPPER] is absent on official business.

The Senator from Mississippi [Mr. BILBO] is detained at a conference being held at the White House.

The Senator from Texas [Mr. O'DANIEL] is detained on official business at one of the Government departments.

The Senator from Illinois [Mr. LUCAS] is detained at a meeting of the Joint Committee on the Investigation of the Pearl Harbor Attack. I am advised that if present and voting the Senator from Illinois would vote "nay."

I wish to announce further that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] would vote "nay."

Mr. WHERRY. The Senator from New Jersey [Mr. HAWKES], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Oregon [Mr. CORDON] is absent on official business as heretofore stated.

The Senator from Vermont [Mr. AIKEN] has been excused. He is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] has been excused. He is absent on official business.

The Senator from Maine [Mr. BREWSTER] and the Senator from Wisconsin [Mr. WILEY] are detained in committee meetings.

The result was announced—yeas 21, nays 53, as follows:

## YEAS—21

Brooks	Fulbright	Shipstead
Buck	Hickenlooper	Smith
Bushfield	Knowland	Stanfill
Butler	Mead	Wagner
Capehart	Moore	Willis
Chavez	Morse	Wilson
Ellender	Revercomb	Young

## NAYS—53

Austin	Gurney	Murray
Ball	Hart	O'Mahoney
Bankhead	Hayden	Overton
Barkley	Hill	Radcliffe
Briggs	Hoey	Reed
Byrd	Huffman	Russell
Capper	Johnson, Colo.	Stewart
Carville	Johnston, S. C.	Taft
Connally	Langer	Taylor
Donnell	McCarran	Thomas, Utah
Downey	McClellan	Tunnell
Eastland	McKellar	Tydings
Ferguson	McMahon	Vandenberg
George	Magnuson	Walsh
Gerry	Maybank	Wheeler
Gossett	Millikin	Wherry
Green	Mitchell	White
Guffey	Murdock	

## NOT VOTING—22

Aiken	Hatch	Pepper
Andrews	Hawkes	Robertson
Bailey	Kilgore	Saltonstall
Bilbo	La Follette	Thomas, Okla.
Brewster	Lucas	Tobey
Bridges	McFarland	Wiley
Cordon	Myers	
Glass	O'Daniel	

So Mr. MORSE's motion was rejected.

#### RANK OF CHIEFS OF BUREAUS IN THE NAVY DEPARTMENT—CONFERENCE REPORT

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1862) relating to the rank of chiefs of bu-

reaus in the Navy Department, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate, and agree to the same.

DAVID I. WALSH,  
MILLARD E. TYDINGS,  
CHARLES W. TOBEY,

Managers on the Part of the Senate.

CARL VINSON,  
LYNDON B. JOHNSON,  
W. STERLING COLE,

Managers on the Part of the House.

Mr. WALSH. Mr. President, I ask unanimous consent for consideration of the report. Its consideration will take but a minute.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the report? The Chair hears none.

Mr. WALSH. I move that the report be agreed to.

Mr. WHITE. Mr. President, will the Senator indicate to us just what is the agreement which has been reached by the conferees?

Mr. WALSH. The House conferees receded from the position which the House originally took, and the bill as reported by the conferees is as the Senate passed it.

Mr. WHITE. And the conference report is agreed to by the Senate conferees, I assume.

Mr. WALSH. That is correct.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. HILL. What was the difference between the Senate and the House in connection with this matter?

Mr. WALSH. The Senate sought to include provision for the request of the Senator from Louisiana that the Director of the Office of Budget and Reports be among the officers dealt with by the bill and be given the same treatment as that given the other chiefs of bureaus.

Mr. HILL. The House did not agree to the amendment and the conferees did not agree to it; is that correct?

Mr. WALSH. No; in the conference the position of the Senate was agreed to.

Mr. HILL. The conferees agreed to the position of the Senate regarding the matter; did they?

Mr. WALSH. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

#### FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 26.



That the House recede from its disagreement to the amendments of the Senate numbered 4, 10, 11, 12, 15, 20, 24, 25, 28, 33, 34, 35, 36, 37, 38, 41, 42, 44, 45, 47, 48, 49, 51, 52, 54, 55, 56, 57, 58, 59, and 60 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,884,400"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$180,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$47,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$6,912,558"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$28,750"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$237,500"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$587,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$47,500"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$440,794,164"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$666,040,849"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000."

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lines 2 and 3 of the second paragraph of the matter inserted by said amendment strike out the words "one hundred and twentieth" and insert in lieu thereof "one hundredth"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$54,107,572"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$2,945,503,585" and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$3,919,838,479"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$541,018,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,514,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,675,684,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amend-

ment insert "\$11,900,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$2,575,225,500"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,248,510,540"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$1,359,367,650"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$800,374,950"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "\$14,370,159,964"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In line 9 of the matter inserted by said amendment strike out the word "further"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 32 and 39.

KENNETH MCKELLAR,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
JOHN H. OVERTON,  
C. WAYLAND BROOKS,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

Mr. MCKELLAR. Mr. President, I ask unanimous consent for the present consideration of the conference report.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee state the changes in the bill?

Mr. MCKELLAR. The conferees have agreed on everything except two items relating to the Air Corps of the Army. There is still a difference, and I will ask for an additional conference on those two items.

I move the adoption of the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the



House of Representatives announcing its action on certain amendments of the Senate to House bill 4407, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

December 3, 1945.

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and concur therein with an amendment as follows: In lieu of the sum inserted by said Senate engrossed amendment insert "\$11,799,313,000"; and

That the House recede from its disagreement to the amendment of the Senate numbered 39 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said Senate engrossed amendment insert "\$30,263,923,923."

Mr. McKELLAR. Mr. President, I move that the Senate disagree to the amendments of the House to the amendments of the Senate Nos. 32 and 39; ask for a further conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, Mr. GURNEY, and Mr. BALL conferees on the part of the Senate at the further conference.

#### AUTHORIZATION FOR POSTMASTERS IN ALASKA TO ADMINISTER OATHS AND AFFIRMATIONS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on a certain amendment of the Senate to an amendment of the House to House bill 304, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

November 30, 1945.

*Resolved*, That the House concur in the amendment of the Senate to the bill (H. R. 304) to amend the act authorizing postmasters in Alaska to administer oaths and affirmations, with an amendment, as follows: Before line 1 of the said Senate engrossed amendment insert: "And that section 2 of said act approved August 5, 1939, is amended to read as follows."

Mr. McKELLAR. I move that the Senate concur in the amendment of the House to the amendment of the Senate. The motion was agreed to.

#### APPOINTMENT OF AMERICAN REPRESENTATIVES IN UNITED NATIONS ORGANIZATION

The Senate resumed the consideration of the bill (S. 1580) to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such Organization.

Mr. MILLIKIN. Mr. President, I have proposed amendments intended to improve the bill in the following ways:

First, to eliminate the provisions which would give diplomatic rank and status to our representative and deputy representative to the Security Council.

Second, to establish continuous office for full-time salaried representatives appointed to the General Assembly by the President by and with the advice and consent of the Senate, as distinguished from the present theory of the bill which would establish an intermittent office to be filled by representatives appointed by the President without the consent of the Senate, who shall serve without salary and who shall be specially selected and appointed to each session of the Assembly.

Third, to require the advice and consent of the Senate to the appointment of all representatives, except the President and the Secretary of State, to all organs and agencies of the United Nations, regardless of whether such representatives are Members of the Congress or are officers of the United States who shall have been appointed by and with the advice and consent of the Senate to unrelated positions. The bill as it now stands provides that only the representative and his deputy to the Security Council and the representatives to the Economic and Social Council and the Trusteeship Council shall be appointed by and with the advice and consent of the Senate, and that the appointment of representatives to the Economic and Social Council may be exempted from such consent if the appointees are Members of Congress or if they hold some other Federal job to which they have been appointed with the advice and consent of the Senate.

Fourth, to preserve the theory of the bill that the President or, at the discretion of the President, the Secretary of State may represent the United States at any meeting or session of any organ or agency of the United Nations, and to make it clear that the Secretary of State, if so acting, would not have to receive the preliminary consent of the Senate, and to authorize the President to make special temporary appointments of persons to specially designated meetings or sessions of any organ or agency of the United Nations.

Fifth, to require, in addition to the special current reports on decisions of the Security Council to take enforcement measures and on the participation therein of the representatives of the United States, as now provided in the bill, that Congress shall also receive special current reports from the President on matters being dealt with by the Council which in the judgment of the President may lead to decisions to take enforcement measures, and on the President's instructions to our representative on the Council regarding such preliminary matters and the decisions which may result therefrom.

Mr. President, I shall first discuss two amendments intended to eliminate diplomatic rank and status and undefined extraneous duties for our representative and our deputy representative to the Security Council, as now provided in sections 2 (a) and (b) of the bill. Since the two amendments relate to the same subject matter and since the decision on either of them would probably control decision on the other, I ask unanimous consent that both amendments may be considered as consolidated into one. I

refer to the amendment now on the desks of Senators, reading as follows—

Mr. MURDOCK. Does the Senator wish to have the amendment stated from the desk?

Mr. MILLIKIN. I wish to identify the two amendments and then have them stated.

On pages 1 and 2, strike out all of section 2 (a) and insert in lieu thereof the following:

SEC. 2. (a) The President, by and with the advice and consent of the Senate, shall appoint a representative of the United States to the Security Council of the United Nations, who shall receive annual compensation of \$20,000 and shall hold office at the pleasure of the President.

The other related amendment is on page 2, lines 9, 10, and 11, to strike out "who shall have the rank and status of Envoy Extraordinary and Minister Plenipotentiary"; and on page 2, line 11, insert the word "who" before the word "shall."

Mr. President, I ask that the two amendments be consolidated.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On pages 1 and 2, it is proposed to strike out all of section 2 (a) and insert in lieu thereof the following:

SEC. 2. (a) The President, by and with the advice and consent of the Senate, shall appoint a representative of the United States to the Security Council of the United Nations, who shall receive annual compensation of \$20,000 and shall hold office at the pleasure of the President.

On page 2, lines 9, 10, and 11 it is proposed to strike out "who shall have the rank and status of Envoy Extraordinary and Minister Plenipotentiary."

On page 2, line 11, it is proposed to insert the word "who" before the word "shall."

Mr. MILLIKIN. Mr. President, I renew my motion that the two amendments be considered as having been consolidated.

Mr. HILL. Mr. President, may I inquire what was the Senators's motion?

Mr. MILLIKIN. I have pointed out to the Senate that I have two amendments which would eliminate diplomatic status of our representative to the Security Council and his deputy. Inasmuch as both amendments relate to the same subject, I have suggested that they be considered as having been consolidated so that I will not have to argue in support of each one separately.

Mr. HILL. I suggest, Mr. President, that the Senator merely ask that the amendments be considered as one, without making any formal motion.

The PRESIDENT pro tempore. Without objection, the amendments will be considered as one, as requested by the Senator from Colorado.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. VANDENBERG. Am I to understand that the question which will presently be submitted to the Senate by my able friend is confined exclusively to the definition of the status of our representatives on the Security Council?



FIRST SUPPLEMENTAL APPROPRIATION  
RESCISSION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 30, 1945.)

Mr. CANNON of Missouri. Mr. Speaker, we herewith submit the conference report on the rescission bill.

This conference report marks the successful consummation of a long and laborious program. When war was declared the Congress pledged the resources of the Nation to its victorious prosecution and conclusion. The Committee on Appropriations, in compliance with that pledge, has from that day to this reported to the House every estimate submitted by the various departments engaged in the war program calculated to support the armed forces and always with the most favorable recommendation warranted by the progress of the war. At the same time we adopted a policy of preparing to reclaim any appropriations or grants of contractual authority which might remain unexpended and unused in any intervals of activity and at the conclusion of the war.

In order to facilitate that policy we included in deficiency bills provisions directing the Bureau of the Budget to maintain a constant study and report periodically on the status of provisions, authorizations and expenditures.

Under this provision we have twice before reported bills reclaiming something in excess of \$4,000,000,000. With this bill we have reclaimed an additional \$52,000,000,000—a total of more than \$56,000,000,000—the price of an empire—in comparison with which the spoils of the Montezumas and the Incas, the reparations exacted by the victors from the vanquished in all the wars in history, sink into insignificance.

But as large as it is, it is only a part of what we expect eventually to reclaim. When conditions have further settled and we are in position to secure a more accurate report on the situation we expect to bring in a final bill or bills to complete the salvage of every dollar available for reclamation.

Mr. Speaker, this is the first step in the initiation of a rigid policy of economy which should guide the Congress in husbanding the resources and revenues of the Nation preparatory to reduction of the national debt. Much depends on the savings—and especially on the development of an attitude of economy and a visible evidence of our determination to balance the budget and meet the huge obligations of the Nation at the earliest date possible.

It is a matter of gratification to the committee to be able to submit to the House this first evidence of a trend toward retrenchment which we trust will continue with increasing emphasis through the years immediately ahead of us.

Specifically, the bill as passed by the House proposes rescissions of obligational availability—cash, contractual authority, and corporate funds, in the aggregate amount of \$52,653,713,879.

Of that amount the Senate proposed restoration of \$1,409,033,666, and this conference report, with one amendment not disposed of—we bring in a complete agreement on everything except one item—this conference report, with that one item not disposed of, reduces the restorations proposed by the Senate, or, in other words, reduces the lessened amount of rescissions proposed by the Senate by \$56,131,708.

In its present form, therefore, the bill proposes rescissions aggregating \$51,300,811,921, which is \$1,352,901,958 less than proposed by the House, and \$56,131,708 more than proposed by the Senate.

Since one amendment—No. 32—remains to be disposed of, these figures are subject to adjustment, up or down, according to the disposition made of such amendment.

The changes effected by the Senate are quite numerous.

In title I, which applies to all agencies other than the Military and Naval Establishments, restorations were made in amounts ranging from \$20,000 to \$5,000,000, aggregating in all \$16,479,419.

In title II, embracing the Military Establishment, restorations were proposed aggregating \$1,151,072,571, the principal amounts pertaining to the Air Corps and the Ordnance Department.

In title III, applying to the Naval Establishment, the net amount of restorations proposed was \$241,481,676, the principal amounts applying to ordnance, aeronautics, and pay, subsistence, and transportation of naval personnel.

The amount restored of the Senate reductions, by titles, is as follows:

Title I.....	\$4, 675, 358
Title II.....	25, 906, 000
Title III (net).....	25, 550, 350
Total .....	56, 131, 708

The title III amount, pertaining to Navy, is a net amount. The Senate increased the rescission proposed by the House of Navy contractual authorization for public works by \$53,630,540. The conferees agreed to restore \$35,000,000 of that further reduction proposed by the Senate, which is needed for berthing facilities for ships to be in an inactive status, and for hospital construction at Beaufort, S. C., for serving naval and Marine Corps personnel in the Charleston-Parris Island area.

The Army and Navy made strong representations to the Senate as to the severeness of the House rescissions in certain items, and we have gone along pretty much with the Senate restorations.

Under the law, the status of all national defense funds again will be presented for review early in January, and there will be opportunity then to make

further rescissions if the facts are such as to warrant them.

There are one or two legislative propositions to which attention should be called.

In lieu of the so-called Dirksen amendment, returning the United States Employment Service back to the States, which contemplated such return within 30 days after the enactment of this bill, we bring back for approval the Senate substitute, amended to provide for the accomplishment of the return within 100 days after the enactment of this bill, instead of 120 days, as proposed by the Senate. The provision provides for the mechanics incident to retransfer, and for the retention, to the extent reasonable and practicable, of Federal employees who have been identified with the activity while federally administered. The provision was drafted by the legislative counsel's office and is understood to be generally satisfactory to State officials.

Another provision deals with Filipinos who have engaged with American forces since the start of the war. It is essential that there be some law on the subject for the guidance of the armed services and the Veterans' Administration. The Senate provision, in which concurrence is proposed, confines beneficiaries to members of the organized military forces of the government of the Commonwealth of the Philippines while serving in the armed forces of the United States under Presidential order, and limits the benefits to those authorized by the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death, and further provides that such pensions shall be paid at the rate of a Philippine peso for each dollar authorized to be paid under the laws providing for such pensions.

While on this subject, I wish to call attention to the fact that the Senate has proposed to make an additional amount of \$200,000,000 available for the army of the Philippines, to be transferred from the appropriation "Ordnance service and supplies, Army." I mention this specifically because the amount, which is a part of amendment No. 38, is neither a rescission nor an appropriation. It is a transfer of surplus ordnance funds.

Mr. CANNON of Missouri. Mr. Speaker, I now yield to the gentleman from New York [Mr. TABER].

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

I wanted to ask the gentleman from Missouri about the item that is in disagreement.

Mr. TABER. I will yield to the gentleman.

The gentleman wanted to know what the item in disagreement is?

Mr. RANKIN. Yes.

Mr. TABER. This is an item with reference to the Air Corps, but the items in disagreement do not relate to Air Corps operations. They relate to the item of "pay of the Army," and the amount of transfers that will have to be made in



the situation, to the item "Pay of the Army."

Mr. RANKIN. How much is involved in the item in disagreement?

Mr. TABER. There is a difference between the House and the Senate of approximately \$850,000,000. The amendment that will be offered here by the committee as a compromise figure will be in between; that is, as I understand it, it will add \$486,000,000 to the Senate rescission.

Mr. RANKIN. On what page of the bill H. R. 4407 is that to be found?

Mr. TABER. Page 25, amendment 32. Really, the effect of that amendment is going to be that there will be no cut below the budget on the Air Corps and that they really, the way we figure it, will have more money to operate with than the budget allowed them, because with the rate of discharge that is being accomplished and the program that is ahead that has been announced by the Army, there should be an average of at least 500,000 fewer officers and men in the Army than was figured when the budget estimates were prepared on the basis of about \$2,500 a piece average for pay and allowances. This would mean that we could reduce that transfer by \$1,250,000,000. This is on a lower basis than that, and in my opinion there is absolutely no possibility of the Army Air Corps not having as much money as the budget allowed.

There is also under consideration involved in this an additional \$200,000,000 which the Air Corps tells the gentleman from Michigan [Mr. FENDEL] will be available this year on account of renegotiation and cancellation of contracts, information with reference to which was not available at the time they were up before us.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. First of all, I should like to ask the gentleman about the effect of the conference report on the funds for the air forces for research and development.

Mr. TABER. The conference report itself does not touch the Air Corps at all, it is in the amendment which is in disagreement. But if the amendment that is proposed by the committee is adopted, having in mind that picture of the transfers which I have described, there will be more money available to the Air Corps than the budget indicated there would be at the time the budget was submitted here.

Mr. CASE of South Dakota. Under the action of the House on the original Rescission bill the money for the Air Forces proposed \$115,000,000 for research and development. My understanding is that for the fiscal year 1946 in the regular appropriation bill the Air Forces asked for \$160,000,000 for research and development.

However, when the Air Forces were called upon to make up a program for research and development under the rescission program they proposed a request for \$245,000,000. The reason was that they had expected the manufacturers to provide research and develop-

ment along with the procurement program; but with the stoppage of the war and the stoppage of procurement, that will fall on the Air Forces. What I am interested in knowing is whether or not the amendment that is proposed will allow the Air Forces more than the \$150,000,000 for research and development?

Mr. TABER. It will allow them a great deal more than that. It will allow them surplus funds, according to my figures, of at least \$200,000,000 beyond what the budget called for without any allocation.

Mr. CASE of South Dakota. Is that an over-all figure for the Air Forces?

Mr. TABER. The over-all figure for the Air Forces, according to my figures, will be more than the budget allowed. Let me say to the gentleman that there was estimated a transfer of Air Corps funds of \$4,700,000,000 to the item, "Pay of the Army." According to my figures that item will be \$1,250,000,000 less than that, which builds up your Air Corps funds very substantially. The rescission that I understand will be proposed involves \$11,799,000,000. That is the proposed amendment.

If you take the \$10,434,000,000 which the budget suggested giving back to the Army and add the \$1,250,000,000 which unquestionably they will have on hand in addition, that they will have to transfer in smaller amounts to the pay of the Army, and adding that to the \$10,434,000,000 you will get \$11,684,000,000, which is \$195,000,000 more money than the budget originally figured they would get.

Mr. CASE of South Dakota. An increase of that much over-all for the air forces?

Mr. TABER. Above what the budget estimates called for. So they have a lot of money to play with in the figure that the House is proposing.

Mr. CASE of South Dakota. One further question. In achieving these figures, I understand that the committee contemplates the War Department will receive some kick-backs, so to speak, in unexpended funds by the termination of contracts by the time the year is closed?

Mr. TABER. The Air Corps story is that the additional saving resulting from renegotiation and cancellation of contracts, in addition to what they had figured at the time the budget estimate was made up, will be \$500,000,000. Of that they figure, according to my understanding, that they will be able to realize \$200,000,000 in the current fiscal year and therefore we used that \$200,000,000 rather than the \$500,000,000 figure in making the estimate that we would present to the House.

Mr. CASE of South Dakota. I am glad to have that point brought out, because I think the question about that \$200,000,000 or \$500,000,000 that would be coming back through renegotiation or cancellation of contracts rested upon when it would be available, whether it would come at the end of the year or whether a portion would come during the year, so that it might be used.

Mr. TABER. Their estimate, as I got it, was that \$200,000,000 of it, at least,

would be available in 1946, and that is the figure we have operated on.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. COCHRAN. With reference to amendment 21, the so-called Dirksen amendment regarding State employment offices, as I understand the only change in that amendment is that the House recedes on the Senate amendment with the exception that it provides that the employment offices shall be turned back to the States in 100 days rather than 120 days.

Mr. TABER. That is right.

Mr. COCHRAN. In other words then we are going to take Federal money and turn it over to the States to use as they please, probably for political purposes, to run the employment offices; is that correct?

Mr. TABER. No.

Mr. COCHRAN. What is it?

Mr. TABER. That is not correct, because all of this money to run the employment offices comes out of the three-tenths of 1 percent—I think it has been scaled down a little bit—which is collected out of the employers for unemployment insurance administration. We have never approached the figure that the collected tax amounts to so that that money comes out of that specific fund and it does not come out of the Treasury of the United States at all. It was understood when this act was passed that it should be State administration. The 100 days, to my mind, is a very bad thing, because it delays reconversion that much and because it prevents the proper operation of the employment offices so that the law can be observed instead of being abused.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. DIRKSEN. The gentleman is quite correct. More than \$625,000,000 has been collected on the administrative side that has never been used, as a matter of fact, nor turned back to the States for administrative purposes.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield so that I may ask the gentleman from Illinois a question?

Mr. TABER. Yes.

Mr. COCHRAN. I would like to ask the gentleman from Illinois this question: Will the Federal Government have anything whatever to say in reference to the type of employees that will be employed in the employment offices or is it going to be referred to the governors and the officials of the States entirely, and whether those employees that are now under Civil Service working in these offices will be subject to release if the State authorities so desire?

Mr. DIRKSEN. The qualifying agencies are set up as they always were, and the employees are fully protected in that transition period in the language that the Senate inserted in the bill.

Mr. COCHRAN. How about after the States take them over?

Mr. DIRKSEN. There are a great many—I think, 47 percent—that were State employees in the first instance that



will be taken back; consequently, they will absorb as well as some of the returning war veterans, so that for all practical purposes it will offer no problem that I can see, nor anybody else.

Mr. COCHRAN. I am rather disturbed about whether or not you are going to make State political offices out of this employment service at a time such as this.

Mr. DIRKSEN. The gentleman will see, if he examines the Senate language, that no such thing is contemplated for one thing, and every man has been made fully protected by this amendment.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. In answer to the gentleman's question, the employees were not so well protected in the bill as passed by the House. They are protected in a much more secure manner now by reason of certain amendments that were put in by the Senate—not as far as some of us would like to see them protected, but, nevertheless, they are more securely protected than they were before.

Mr. COCHRAN. In other words, the only way you can defeat this is by voting down the entire conference report.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield further?

Mr. TABER. I yield.

Mr. DIRKSEN. Let me say to the gentleman from Michigan that manifestly we operate under far more restrictive rules here, and the only thing you could put in the bill was a limitation. You could place in it no affirmative legislation. That was our difficulty, and that has been cured by the Senate.

Mr. RABAUT. This 30-day provision affected all of the 19,000 employees in the service. At least 40 percent of the employees, according to the rules of many States, would have lost their jobs under the action which was taken recently in the House, at a time when the load is 8 times as high as it was a year ago. Of course, that is really a great shock to the returning veterans and to the great number of people that are out of employment at the present time. As I said, it has been corrected in the Senate, but it has not been corrected to the fullest extent possible.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. In order that the record may be complete as to the appropriation for research and development, there was in this bill as it left the House for research and development for the Navy \$191,754,000. There was in the bill as it left the House for the Army \$193,518,500—a total for research and development for the Army and Navy of \$385,272,500. In addition, the War Department has \$600,000,000 for the continuance of the development of the atomic bomb, and \$26,000,000 for NACA, which of course is in part for research and development of airplanes. As the bill left the House there was over \$1,000,000,000 in it for research and development, including the development of the atomic bomb. That sum in my judg-

ment is adequate, even though the conference report apparently provides for additional sums.

Mr. TABER. I just want to say this, and then I will yield to anyone or yield the floor. The conference report represents a complete agreement with the exception of amendment No. 32. There were compromises of different items. There is also in disagreement amendment No. 39, which is a total that will have to be adjusted after amendment No. 32 is disposed of.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to question the gentleman about amendment No. 32. I understand that in the House bill the amount proposed to be turned back was \$12,166,313,000. The Senate reduced that to \$11,313,313,000, which left a difference of \$853,000,000.

Mr. TABER. That is right.

Mr. RANKIN. That is the difference between the House and the Senate as to this amendment on which the conferees have differed.

Mr. TABER. That is right.

Mr. RANKIN. Does that mean there will be \$853,000,000 more for use by the Air Force during the fiscal year 1946 if the Senate provision is sustained?

Mr. TABER. It probably does. It also means that there would be a large amount of money available which could be transferred to pay of the Army and used to delay the discharge of the boys who ought to be discharged. That is the thing that is involved here. Two things are involved here; in other words, the way the Budget was sent down here it showed a proposed transfer out of the Air Force appropriation to pay of the Army of \$4,700,000,000. Most of the cut in the Air Force appropriation which the Committee on Appropriations made here was on account of pay of the Army and the accelerated programs of discharge. It was set up with the idea of encouraging those programs insofar as it might be done.

Mr. RANKIN. Here is what I am trying to get at: This leaves us then with \$853,000,000 for the Air Force for the fiscal year 1946, if it is not changed?

Mr. TABER. No, the Air Force does not need any such sum as that. For instance, if we gave them every dollar that the Budget allowed after we reduced the amount of transfer that will be necessary for pay of the Army by the figures that are available to us with reference to the reduced number of personnel that will be in the Army, we would be able to add to the Budget estimate of rescission which was \$10,434,000,000, \$1,250,000,000, which would make a total rescission all by itself of \$11,684,000,000. On top of that, there is not any question but what there is going to be \$200,000,000 surplus funds in the Air Corps this fiscal year due to the cancellation of contracts and renegotiation which they did not have in shape to present when they came up before us to start with.

Mr. RANKIN. What disturbs me is this. Why leave money in this item not to be used for the Air Force but to be shifted for some other purpose.

Mr. TABER. Because without any action in the nature of a transfer, the item pay of the Army would otherwise be short. They have the authority in the appropriation act that was passed to make that transfer. Therefore, the way we have to operate is to reduce the amount available for the Air Force, because the Air Force has that surplus fund that the budget of the Army has set up to transfer the pay of the Army. It is complicated, I will agree with the gentleman. I do not like that way of doing it.

Mr. RANKIN. It is complicated. The way it looks to an individual who is not familiar with all of the ramifications of this procedure is that you are unloading on the Air Corps, and it leaves the impression on the country and on the Congress, and if I may say it makes the impression on me, that you are charging up to the Air Corps \$853,000,000 for the year 1946 at a time when untold thousands of planes are being destroyed. It leaves the impression that the Air Corps is spending more money than is justified when, as a matter of fact, according to your statement, it is being spent by some other division of the War Department.

Mr. TABER. Here is the picture, and it has been the picture for a long time. The estimates for the Air Force have been too high.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. ENGEL of Michigan. The Air Corps has had in the past 5 years over \$26,000,000,000 more than they could obligate or spend. That is a billion dollars more than the total national debt after World War I. Last year they had \$12,000,000,000 more than they could obligate. Some other branches of the service which have not been able to obtain funds from Congress obtained such funds by transfer from the Air Corps under the transfer clause placed into the appropriation bill, which clause I opposed.

Mr. TABER. May I suggest, if the gentleman from Mississippi is agreeable, that we get rid of this conference report if we can and then take up the other amendment which is in disagreement. Then we can stick to that and we will not have anything else involved.

Mr. RANKIN. That is satisfactory to me.

Mr. TABER. I think then we would be better off.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CASE of South Dakota. The difficulty which the gentleman from Mississippi has pointed out is one which members of the committee themselves have had when these estimates have been considered, but it grows out of a situation prevailing, particularly because of the war, and also because of the War Department's bookkeeping that made it easier for them to transfer funds within the War Department rather than to let them revert at the end of the fiscal year. That matter has been discussed in the Subcommittee on Appropriations for the War Department. It has been my contention that as soon as



we get through with the war we should adopt the policy of having the funds revert at the end of the fiscal year instead of allowing them to be transferred within the Department.

Mr. TABER. I must yield back the balance of the time to the gentleman from Kentucky.

Mr. O'NEAL. Mr. Speaker, there are several Members who would like to speak briefly on the conference report.

I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I expect to support this conference report. I have been strongly in favor of the legislation with which it deals. We all surely favor any and all legislation that will reclaim to the depleted Treasury more than \$50,000,000,000.

However, there is one matter that has been overlooked in the preparing and perfecting of this legislation and this conference report that will be of interest to practically every Member of the House. That is the matter of the retirement benefits of those State employees who were loaned to the Government on January 2, 1942, and who will be transferred back to the States by reason of this legislation.

For instance, in the State of Ohio, we have about 900 employees who were loaned by the State to the Federal Government at the request of the President. If these persons transferred their employment status from the State to the Federal service they should have been entitled to all the retirement benefits that come to Federal employees. Let us take as an example a man who earned \$2,000 when he was employed by the State. If he were making \$2,000, he paid, let us say, \$100 into the retirement fund. The State would pay in another \$100. That would be \$200 left there for his retirement benefit.

When he transferred to the status of a Federal employee the State would not pay any more. The Federal Government would then assume the responsibility of maintaining this man's retirement protection, but under the Federal law, as I understand it, an employee cannot be entitled to this benefit unless he is employed by the Federal Government for 5 years or more. This man having only been employed from January 2, 1942, he would not have been employed for 5 years and consequently would not be entitled to Federal retirement benefits. However, while this man was employed by the Government, the Government took out of his wages the amount provided by the Federal law and put it into the Federal retirement fund. The Government would also put into the fund the amount which the Government is required to do. Suppose the Government took out \$100 per year from the wages of this employee and put in \$100 of its own money, the employee would not be financially injured. But since the Government will not pay retirement in case of less than 5 years of employment, you can see that this would not be satisfactory. But the Government will refund to the employee the amount that it collected from him but it will not thereby supply the man with the retirement to which he is entitled. This man will lose

the benefit of retirement for 4 years. Although he will be refunded the money taken from his pay, he will lose 4 years of retirement benefit. This creates a confusion and is not just and fair to these employees. This confusion is increased in cases where employees have died or left the service. Now, that matter will have to be taken care of sometime. A serious injustice has been done, and I know this Congress will be fair. We cannot do it very well in this conference report. It is not a matter that should be taken up in that way. I am calling attention to that now because I expect, upon the record made here today, that sometime we will build up some legislation to take care of this situation.

I have a telegram from Ralph W. Emmons, the State representative of the State employees of Ohio who were transferred from the service of the State of Ohio to the service of the Federal Government.

I wish to extend my remarks by inserting that telegram in the Record. I think this telegram will represent the position of the employees of all of the other States, especially those who have the same kind of retirement system.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the distinguished gentleman from Michigan.

Mr. RABAUT. I would say, in answer to the gentleman's statement, that the matter was brought up in conference and we recognized the situation. It is one of the reasons why I maintained the terrific hurry about this whole matter on the floor of the House was wrong. Now we are beginning to see some of the places where it was wrong, and this is one of them. An injustice is being done.

Mr. JENKINS. I am glad the gentleman recognized this matter that I have tried to present to the House. It is a fair claim and I feel that Congress, which is always fair, in time will rectify this failure to deal justly. I think it will appeal to everybody, because this oversight will never be corrected until some legislation is passed.

The illustration which I have given may not be accurate as to the amount of deduction for retirement, but I hope it creates an accurate picture. The telegram to which I have referred I think will clarify the situation. Its sender is one of the best posted men in the country on retirement and civil-service matters.

The telegram is as follows:

COLUMBUS, OHIO, December 2, 1945.  
HON. THOMAS JENKINS,  
Member of Congress,  
Congressional Office Building,  
Washington, D. C.:

By Executive order of the President effective January 2, 1942, the employees of the Ohio Employment Service were drafted into the service of the Federal Government. Practically all these employees had many years service credit in the Ohio retirement system. Policy statement issued by the Federal Government at the time of draft assured employees that the retirement credit would be fully protected. Immediately following the State retirement board declined to accept employees' contribution, as the em-

ployees were no longer in State service. Drafted employees were required to contribute to the Federal retirement system and have continued to do since January 1942. It is now declared if the Employment Service is returned to the State within 5 years since date of loan that the employees will not be entitled to Federal retirement privileges although the amount of their contribution less \$50 tontine fees will be refunded. Unless corrected by act of Congress the drafted employees would unjustly lose retirement privilege in both the Federal and State system. Two collective methods are suggested: First. That Congress authorize the Federal agency having jurisdiction to pay from appropriation granted to that agency the same amount that the State would have matched the employees' contributions had the service remained with the State since January 1942. That authorization would restore the employees to the State retirement system but possibly with the loss of service credit for the period since January 1942.

Second. That the concerned employees be granted five or more years service credit in the Federal retirement system benefits payable when the employee reaches the retirement age and subject to the involuntary-termination-of-service provision of the Federal retirement system. The salaries of the employees prior to January 1, 1942, were paid in part by the Federal Government and since that item in full. For that reason it is the contention of the employees that they have been the Federal employees since 1939 and should be entitled to service credits for the entire period plus the amount that they have paid as contributing members of the Federal system. The Federal Government is obligated to meet their policy statement in some satisfactory manner, and no reason can be assigned why the employee should be penalized by the loss of their retirement privileges earned after years of public service.

RALPH W. EMMONS.

Mr. O'NEAL. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. CASE] such time as he may desire.

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks.)

#### RESEARCH AND DEVELOPMENT

Mr. CASE of South Dakota. Mr. Speaker, when this bill to rescind some of our war appropriations was before the House, it may be recalled that I called attention to what I regarded as an excessive cut in the funds allowed for continuing the research and development program of the Army Air Forces. The figures as I cited them at the time showed an allowance of 115 million where the Air Forces has proposed \$245,000,000. It was true that the Air Forces in the original requests for fiscal 1946 asked for only 165 million for research and development and the cut to 115 million was approximately the 25 percent reduction applied generally by the Bureau of the Budget.

It was my contention, however, that the committee and possibly the Budget Bureau were unaware of the reason why the percentage cut applied to other programs was not a proper one for the research funds of the Air Forces.

When fiscal 1946 estimates were proposed, the Air Forces counted on getting a great deal of research and development done by contracting companies in connection with procurement of planes and aircraft matériel. This was particularly in the fields of radar, jet propulsion,



rocket bombs, and applications of atomic power.

With the end of the war, and the cancellation of many of those procurement contracts, naturally the research and experimentation would not be accomplished. Consequently, the Air Forces would have that work to do themselves, if it was done at all.

Prudent administration of the Air Forces dictated that the research and development should go on at this time, particularly if we were to examine and determine the values in items and plans captured in the surrender of Germany and Japan.

That was why I called attention to the situation when the bill was before the House. Now, I am very glad to see that the situation has been improved by the conferees' proposal. As explained by the gentleman from New York in response to my interrogations a very substantial amount of funds recaptured through renegotiation and termination of contracts has been made available to the Air Forces which will let them pursue their research program and particularly to study and explore the possibilities of German and Japanese machines and plans that were captured with enemy surrender.

In connection with this recognition of the importance of scientific research, I deem it appropriate to call attention to the retirement from Government service, a few days ago, of one of the Nation's most distinguished and most helpful men of science, the head of the National Bureau of Standards, Dr. Lyman J. Briggs.

#### THE SERVICE OF DR. LYMAN J. BRIGGS

Mr. Speaker, few scientists have had careers so valuable to the United States both in its civilian functions and its military activities as Dr. Lyman J. Briggs. He has completed 49 years of service in the technical work of the Government.

During the last 12 of those years, while still carrying on active scientific research, he was the highly successful administrator of one of the Government's most important scientific organizations, the National Bureau of Standards. Under his wise and understanding administration, 2,000 scientists and technicians sought the solutions to a variety of intricate and difficult problems in physics, chemistry, engineering, and mathematics.

Dr. Briggs made significant contributions to the successful prosecution of both World Wars.

During the first, when science had not been given the major assignment that later fell to it, he was one of a relatively small group of scientists who worked tirelessly at fundamental problems whose answers might prove of practical value to the armed services. He was authorized by President Woodrow Wilson to carry on special researches for the Navy.

One of the fruits of this work was the development of a stable zenith instrument which greatly facilitated accuracy in firing the Navy's big guns. Through other researches he worked out a new method of measuring the acceleration of gravity at sea.

In the period between the wars, Dr. Briggs made important contributions to aeronautics.

With Dr. Paul R. Heyl, he invented the earth inductor compass, an instrument which overcame many perplexing difficulties in airplane navigation. For this service, Dr. Briggs and his associate inventor received the Magellan medal from the American Philosophical Society.

During this period Dr. Briggs, with associate physicists, devoted a great deal of time to experiments on models in the wind tunnels at the Bureau of Standards. This work involved pioneer measurements of air flow around airfoils at very high speeds, up to and exceeding the speed of sound. These studies later proved of great value in the design of aircraft propeller blades.

At the approach of World War II Dr. Briggs received a secret assignment which turned out to be of utmost importance.

He was selected by President Roosevelt in 1939 to be chairman of the original Uranium Committee to study the possibilities of using atomic energy in warfare. He was closely identified with all the early work which later led to production of the atomic bomb, and personally conducted much of the initial research.

Under his direction during the war period, 90 percent of the personnel of the Bureau of Standards was engaged in war work much of which played a vital part in furthering victory.

An indefatigable worker, Dr. Briggs has extended his scientific interests outside the sphere of his official duties.

For more than 8 years he has been chairman of the research committee of the National Geographic Society and has helped to formulate research programs for the expeditions which the society has sent to all parts of the world.

He took an especially active part in the stratosphere expeditions of 1934 and 1935, serving as chairman of the special advisory committee for the flights. In those ascents the society and the United States Army Air Forces cooperated in sending aloft from the Black Hills of South Dakota the balloons *Explorer I* and *Explorer II*, the latter to the world altitude record of 72,395 feet.

Both balloons were equipped with a large assortment of scientific instruments many of which Dr. Briggs helped to design. From these researches came results that led to improved airplane performance during World War II.

Since 1933 Dr. Briggs has been a member of the National Advisory Committee for Aeronautics and in 1942 was elected vice chairman. He has been a member of the Aerodynamics Subcommittee for 23 years and more recently has been active on the Aircraft Materials and Aircraft Structures Subcommittees. He became Chairman of the Federal Specifications Board in 1932, of the Federal Fire Council in 1933, and of the National Conference on Weights and Measures in 1935.

Dr. Briggs was born May 7, 1874, on a farm north of Battle Creek, Mich. He entered Michigan State College at the age of 15. He received the degree bachelor of science from that institution in

1893, and 2 years later was graduated master of science in physics from the University of Michigan. In the fall of 1895 he entered Johns Hopkins University to continue his studies in physics; and, following the discovery of X-rays by Roentgen in that same year, Briggs conducted the first X-ray studies at Johns Hopkins.

In 1896 Dr. Briggs began his career in the Government's scientific work as a physicist in the Bureau of Soils of the Department of Agriculture. During his early years in the Department of Agriculture, Dr. Briggs originated the centrifugal method of classifying soils—moisture equivalent—now widely used in soil laboratories throughout the world. In 1901 he received the degree doctor of philosophy from Johns Hopkins.

In 1906 Dr. Briggs organized the biophysical laboratory in the Bureau of Plant Industry. From that time until 1917 when he began investigations for the Navy at the Bureau of Standards he carried on extensive basic studies of the influence of environmental factors on the water requirements of plants. In the course of this work methods were developed for determining the "wilting coefficient" of a soil, which has found wide application in establishing the amount of water in a soil that is available for plant growth.

Dr. Briggs has been honored by many educational and scientific institutions. He has received the honorary degrees: Doctor of science from Michigan State College, George Washington University, Georgetown University, and Columbia University; doctor of engineering from the South Dakota School of Mines; and doctor of laws from the University of Michigan.

He is a life trustee of the National Geographic Society, a director of the American Standards Association, and has served as president of the American Physical Society, Washington Academy of Sciences, Philosophical Society of Washington, Cosmos Club, and Federal Club. He is a fellow of the National Academy of Sciences and a member of the American Philosophical Society, American Association for the Advancement of Science, American Academy of Arts and Sciences, Institute of the Aeronautical Sciences, Physical Society of England, and Newcomen Society of England.

Mr. Speaker, it is not often that any man completes 49 years in the service of the Government—49 years of distinguished technical service. And because the funds allowed in this conference report for the research and development program of the Government are a signal recognition of the importance we now attach to work of this sort, I have thought it proper to speak of the great contribution to the practical scientific knowledge of the Nation made by the retiring head of the National Bureau of Standards, Dr. Lyman J. Briggs.

Mr. O'NEAL. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I desire to make mention of the transfer of the United States Employment Service to the States.



There is not much we can do about it in the House except to vote down this conference report, but I feel we can reiterate our protests and expose the meaning of this transfer in the hope that the President will veto this bill. I hope that this Congress will learn that this practice of putting on legislative riders to appropriation bills and then going to the Rules Committee and getting a rule waiving points of order to what ordinarily would be out of order, that that practice, particularly when it is employed against the interests of the working people of this country, must be stopped.

The significance of the transfer of the USES is very obvious. There is no question of efficiency involved, for the record of the United States Employment Service speaks for itself. It is part of a wage-cutting drive that is taking place throughout this country. Let us see what is going to happen as a result of this transfer. A person who is unemployed, who had been working, let us say, at a dollar an hour refuses a position at 50 or 60 cents an hour, which is now being offered. He will be certified as being eligible for unemployment compensation. That is the policy of the United States Government. We go back to the States with the employment service and we will subject every unemployed worker in most of the State to the following practice: The person is offered a job at 60 cents an hour after he has been working at a dollar an hour; he refuses that kind of work. If he does so, he will not be certified as eligible for unemployment compensation. He will be faced with the proposition either of accepting a low-scale job, a low-standard job, or starve. That is the purpose behind this transfer of the USES to the States. Some people are in favor of cutting wages. I wish they would stand up here and say so; I wish they would declare themselves in favor of this transfer because they favor wage cuts. Instead, they will talk about efficiency as the reason for the transfer.

Labor today is subjected to industrial warfare. Industrial warfare has been declared on labor. It has been declared on labor by automobile and steel. This is just another antilabor maneuver in the warfare against labor.

Furthermore, let us look at this unemployment proposition. Since when has unemployment been a State problem? Employment and unemployment is a problem which crosses State lines. It has always been recognized since the exit of Herbert Hoover as a national problem. It was only during the Hoover administration that it was considered purely a local and State problem; and we know what catastrophe that caused in this country. Now we are doing the same thing, we revert to the Hoover philosophy on the question of unemployment. Give return of the USES to the States and it will be used as a wage-cutting drive. It is part of the vicious drive which has been launched against labor in this country. You cannot get away from it.

I do hope that the President vetoes this bill so that the Committee on Appropriations will come out with a genu-

ine appropriation bill and not seek to legislate against labor by means of a rider that would have been out of order except that it was made in order by the Committee on Rules.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. O'NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, the conference committee has brought before the House a report which gives the membership no opportunity to express itself upon the question of accepting or rejecting the Senate amendments relative to the continuation of the guayule project. I realize how difficult it is for a conference committee to work out a report which will enable the House to pass on each and every item of disagreement. I have no desire to criticize the conferees, nor have I any desire to delay action on this conference report. At the same time I am convinced that we should avoid the tragic mistake of unreasonable or unnecessary destruction of the substantial amount of natural rubber now growing in the California fields. The pressing need for natural rubber still exists. Were it not for our existing price controls, there is no doubt but what natural rubber would bring a higher price today than after the last war. We have, at present prices, approximately \$5,000,000 worth of natural rubber in California. If we will allow this rubber to mature and to harvest it in an orderly manner, we will have several times that amount of rubber. All that those of us who have worked on this guayule program ask is that our investment be liquidated in an orderly manner and over a sufficient period of time to avoid unnecessary loss and that experimental and research work be continued.

The report as it comes before you now provides for an additional 6 months for liquidation of the guayule project. Those of us who have been charged with the responsibility of some special study of the guayule project feel that even the additional 6 months—that is the entire calendar year 1946—will be too short a period in which to liquidate all of the guayule now in the fields of California.

Much of that guayule has not matured; much of it needs from 2 to 2½ and some even 3 years to reach a state when it is proper to cut and mill it.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I am glad to yield to the distinguished gentleman from Alabama.

Mr. PATRICK. I want to join the gentleman's position in reference to that guayule project. The policy of the Congress in that respect reminds me of a boy who will plant a grain of corn and go out the next morning and pull it up before it has any possible chance to grow, and throw it away.

Mr. POAGE. That is right. We do not feel there has been time enough to complete this work. We now have approximately \$5,000,000 worth of guayule in the field. If we leave it for 2 or 3 years we will have possibly two or three times that amount, and under no circumstances can we justify the abandonment of the experimental and research

program. Until we have reached a point where natural rubber is not necessary, we shall need to study and encourage the production of guayule in the United States. We believe that private enterprise should be encouraged to take over the properties in California and that we should establish a price program which would keep private growers in the picture.

When the regular agricultural appropriation bill comes up next spring we hope to have an opportunity to discuss this matter fully and freely and to make what we hope will be a more sound and satisfactory decision on the program both as to guayule in the field and as to the milling and research programs. My colleague, Mr. PHILLIPS, of California, will present a resolution which the Committee on Agriculture has just passed.

I hope that the Members of the House and especially the members of the Appropriations Committee will give us a full opportunity to present the case for guayule next spring.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. WICKERSHAM. Mr. Speaker, as a member of the Special Guayule Rubber Committee, I heartily endorse the statements made by Mr. POAGE, and trust that you may give your attention to the recommendations of the gentleman from Illinois, Mr. ANTON JOHNSON; also the recommendations of the gentlemen from California [Mr. ANDERSON], [Mr. JOHNSON], and [Mr. PHILLIPS] which are in accord with the viewpoint expressed by Mr. POAGE.

Mr. O'NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. JOHNSON].

Mr. JOHNSON of Illinois. Mr. Speaker, I am not opposed to the liquidation of the guayule rubber project, but I would like to see it done in a little more orderly manner and not in a destructive way by throwing away a lot of money. I think the point was well made by the distinguished gentleman from Alabama when he referred to the planting of a seed of corn. To me, it is like planting a nice orchard and when it begins to come into bearing to say, "It has cost us too much," and you plow it up and destroy it. This situation is entirely comparable.

I hope that the Appropriations Committee will net this subcommittee of the House Committee on Agriculture come before us at some future time and bring this matter up in an orderly manner. We have growing around \$5,000,000 worth of rubber in the fields today. There are 30,000 acres of it out there. It has cost a lot of money; there is no question about that, but I am sure that guayule is going to be grown in this country by private capital and private enterprise. It is being done down in Mexico, where millions of acres have been planted, domesticated, and cultivated. We are going to compete with the world in rubber. So we are notifying the Appropriations Committee that we would like a chance in the early part of next year to appear before the committee and see this thing carried through a cycle of, say, four to four and a half years or so; then we will know and the



Government will know what it costs to produce guayule rubber.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. O'NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Speaker, the only reason for me taking a few minutes about this program that the gentleman from Illinois [Mr. JOHNSON] and the gentleman from Texas [Mr. POAGE] have talked about is to say that in my district we have the Agricultural College of the University of California. We would like to formulate some way to salvage this rubber project so that these gayule plants can be brought to maturity.

Our college has experimented with rubber in a very small way for about 10 or 15 years and this will give them an opportunity to experiment with it in a much larger way. Also we believe that if we have a little more time we can salvage this project, that it will not result in such a great financial loss.

As I see it, we should find some way, if possible, to develop our own rubber. We are now looking to the outside world to furnish us rubber. It will be remembered that at one time we found ourselves in a very bad state because we could not produce rubber ourselves. The carrying out of this program in accordance with the plan that the Agricultural Committee will develop later on will, in my opinion, give opportunity to determine conclusively whether or not we can develop and furnish our own rubber in this country.

I hope, my colleagues, that the University of California Agricultural College may, by being given a wider range in its experimentation with these gayule plants, play an important part in determining conclusively that we can or cannot develop our rubber in this manner. If given this chance and the experiments can be widely carried on as to climate, soil, water conditions, and so forth, from the planting of the shrubs until their maturity this will give the answer. We have in the agricultural college the men that can do this. Give them a chance and they will give the answer, which will be of tremendous benefit to our country.

(Mr. JOHNSON of California asked and was given permission to revise and extend his remarks.)

Mr. O'NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, following the three gentlemen who have just preceded me, I present to the Congress a resolution just adopted by the House Committee on Agriculture, which I desire to read:

The managers for the House and the Senate on the so-called rescission bill (the conference report on which is now before this House) having changed the wording of that section which refers to the liquidation of the program of producing natural rubber through guayule and other plants;

And the subcommittee on rubber projects of the House Committee on Agriculture having had this problem constantly before it for more than a year, and having met this morning to consider this immediate problem of the conference report, and having recom-

mended to the full committee, the House committee has approved the following resolution:

*Resolved*, That the House Committee on Agriculture is disturbed by the possible loss of rubber and money to the Government and urges on the Department of Agriculture and the Forestry Service (as the agency directly handling this liquidation) the most careful and thoughtful efforts to conserve this asset and to dispose of the plants in such a way as to get the most rubber from them and transfer the plants and the properties into private hands, particularly into the hands of a number of farmers who may carry on this protective national program; and be it

*Resolved further*, That the House Committee on Agriculture take this matter up immediately after the first of the year, with the thought of making definite recommendations to the Agriculture Subcommittee of the House Committee on Appropriations regarding the liquidation and the future handling of that part of the rubber program which involves the production of natural rubber from guayule and other plants.

Mr. O'NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I listened a moment ago with a great deal of interest to the observations made by the gentleman from New York [Mr. MARCANTONIO], that the transfer of the United States Employment Services to the States, where it properly belongs, and where Congress placed it in 1936, is, in his judgment, just another effort at wage cutting and an antilabor move.

Nothing could be further from the fact. That is, of course, the opinion of the gentleman from New York. It reminds me of a little quip of Abraham Lincoln long ago when he asked someone, "If you call a sheep's tail a leg, how many legs will the sheep have?" Somebody said "Five." "No," he said, "just calling a sheep's tail a leg does not make it a leg."

The opinion of the gentleman from New York does not make this a wage-cutting endeavor whatever. This operation has been integrated with the unemployment compensation function ever since 1936. There was a moral obligation on the part of the Federal Government when the States surrendered those offices to the Federal Government in response to a telegram by the late President of the United States, that they be returned and be returned forthwith. If I had my way, of course, we would stand on a 30-day provision similar to that adopted in this House a number of weeks ago. The Senate, in its wisdom, undertook to make it 120 days, and the compromise gives an outside date of 100 days, so that they must be returned as quickly as practicable but not later than 100 days. It will be one of the most constructive efforts that this House ever made toward the re-conversion program in the country.

Mr. O'NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, the purposes of this bill are, generally speaking, quite laudable. However, I find myself in a position that I cannot support it because of the provision which returns the United States employment services to the States within 100 days.

It was realized at the time the Federal Government took over this service that the States could not handle it; and why? Because there was a very serious situation with respect to placing employees in the right jobs. Within the next 6 months this country is going to go through one of the most critical periods in its history with respect to the replacing of veterans and displaced war workers in employment. Just at the time when we need an integrated service you are going to throw this thing back to the States, and it will result in inefficiency and confusion.

There is also a very grave question whether or not the States have in their budgets at the present time any money with which to support the employment services. I think the proposal a serious mistake. I honestly believe the governors of the States who asked that this service be returned did not intend that it be returned immediately. All they wanted to do was protect themselves from having it remain permanently in the Federal Government. The only thing I ask is that the return of control to the States be postponed until the end of 1946. That will be the wise and the sensible thing to do. I am afraid we are going to regret the turning back of this service to the States on such short notice, mainly because it will result in hardship, inefficiency, and confusion. I believe the President would be justified in vetoing this bill for those reasons.

Mr. O'NEAL. Mr. Speaker, I yield such time as he may desire to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, I rise in support of the conference report of the conferees of the two Houses on H. R. 4407, the so-called supplemental surplus appropriation rescission bill of 1946. From time to time we have heard criticism that the Congress perhaps did not provide ample funds to carry on the war. The war is now over, and the Army and Navy Establishments, after setting aside forty-four billions for the use of the Army and Navy for the balance of the fiscal year ending June 30, 1946, proposes to turn back into the Treasury approximately \$53,000,000,000. In other words, after the Army and Navy have turned back approximately \$53,000,000,000 that had been appropriated during this war, they still have a nest egg left of approximately \$44,000,000,000 to carry them through to the end of this fiscal year June 30, 1946, and this nest egg is a very tidy sum itself. It is more than twice the cost of World War I up to the signing of the armistice on November 11, 1918.

Congress in H. R. 4407, and in this conference report that we have before us for adoption today, has canceled appropriations and authorizations for these \$53,000,000,000, and these billions cannot be expended. This clearly shows that Congress not only provided all the money that the Army and Navy required, but when the war was over they had a balance of appropriations and authorizations of fifty-three billions, plus forty-four billions, amounting to almost one hundred billions, and no one can say that



Congress was not providing all the money that was necessary to conduct and win the war, and nearly \$100,000,000 besides. It seems that if there could be any criticism it is that Congress was too liberal. Of course, Congress could not know just how much money would be required. We had to depend upon the President, the Commander in Chief, and those in charge of our armed forces.

I see in some articles and here statements in some speeches that it is necessary to buy bonds now in order to bring our boys home. These statements are inaccurate. The Army, Navy, Air Forces, and Marine Corps have at their disposal \$44,000,000,000 to take care of our armed forces and to bring them home. We have and shall continue to urge that demobilization be expedited. Millions of these boys have been away from home a long, long time. They have faced great dangers and endured great hardships and many of their families have made great sacrifices, and have won undying glory on land, sea, and air. They should be taken off the Government pay roll and placed on the pay rolls of industry, agriculture and commerce, taking care of their own business, renew their education and normal lives again, and in that way help themselves, their families, and our country and save billions of dollars to the American taxpayers. This is very important as we are now facing a national debt of \$300,000,000,000, with a real threat of inflation and financial disaster to our country.

Of course, it gives me pleasure to vote for this conference report that cancels approximately \$53,000,000,000 of appropriations and authorizations that have heretofore been made but not expended. These \$53,000,000,000 are not turned in alone by the Army and Navy but by the hundreds of other governmental agencies. The Army and Navy did turn in approximately \$46,000,000,000 of this sum. This report should in my opinion be adopted by unanimous vote by the House and Senate.

(Mr. ROBSION of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. O'NEAL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 86, noes 10.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 262, nays 61, not voting 109, as follows:

## [Roll No. 194]

## YEAS—262

Abernethy	Fogarty	Morrison
Adams	Folger	Mundt
Allen, Ill.	Forand	Murdock
Allen, La.	Fuller	Murray, Wis.
Andersen,	Fulton	Norrell
H. Carl	Gardner	O'Hara
Anderson, Calif.	Gary	O'Konski
Andresen,	Gavin	O'Neal
August H.	Gibson	Pace
Andrews, Ala.	Gifford	Peterson, Ga.
Andrews, N. Y.	Gillespie	Phillips
Angell	Goodwin	Pickett
Arends	Gossett	Pittenger
Arnold	Graham	Ploeser
Baldwin, Md.	Granger	Plumley
Barden	Grant, Ala.	Poage
Barrett, Wyo.	Grant, Ind.	Price, Fla.
Bates, Ky.	Gross	Prlest
Bates, Mass.	Gwinn, N. Y.	Rabaut
Beckworth	Gwynne, Iowa	Ramey
Bell	Hale	Randolph
Bennet, N. Y.	Hall	Rankin
Bennett, Mo.	Leonard W.	Reece, Tenn.
Bishop	Halleck	Reed, Ill.
Blackney	Hancock	Reed, N. Y.
Bland	Hare	Rees, Kans.
Bolton	Harless, Ariz.	Richards
Bonner	Harness, Ind.	Riley
Boren	Harris	Rivers
Boykin	Hartley	Rizley
Brooks	Hedrick	Robertson,
Brown, Ga.	Hendricks	N. Dak.
Brown, Ohio	Henry	Robertson, Va.
Brumbaugh	Herter	Robinson, Utah
Bryson	Heseltan	Robson, Ky.
Buck	Hess	Rockwell
Buffett	Hill	Rodgers, Pa.
Bulwinkle	Hinshaw	Roe, Md.
Bunker	Hobbs	Rogers, Fla.
Burch	Hoeven	Rogers, Mass.
Burgin	Hoffman	Russell
Butler	Holmes, Wash.	Schwabe, Mo.
Byrne, N. Y.	Hope	Schwabe, Okla.
Byrnes, Wis.	Hull	Scrivner
Camp	Jarman	Sharp
Canfield	Jenkins	Sheppard
Case, N. J.	Jennings	Short
Case, S. Dak.	Jensen	Sikes
Chenoweth	Johnson, Calif.	Simpson, Ill.
Chiperfield	Johnson, Ill.	Smith, Maine
Church	Johnson, Ind.	Smith, Ohio
Clason	Johnson,	Smith, Wis.
Clevenger	Luther A.	Sparkman
Clippinger	Johnson, Okla.	Springer
Cochran	Jones	Stefan
Cole, Kans.	Jonkman	Stewart
Cole, Mo.	Kean	Stigler
Cole, N. Y.	Kearney	Stockman
Colmer	Kerr	Sullivan
Combs	Kilburn	Summers, Tex.
Cooley	Kilday	Sundstrom
Cooper	Kinzer	Taber
Corbett	Kirwan	Talle
Cox	Kunkel	Tarver
Cravens	Landis	Taylor
Crawford	Lanham	Thomas, N. J.
Cunningham	Latham	Thomas, Tex.
D'Alesandro	LeCompte	Thomason
Davis	LeFevre	Tibbott
D'Ewart	Lemke	Towe
Dirksen	Lyle	Traynor
Dolliver	McConnell	Trimble
Domengeaux	McCowan	Vinson
Dondero	McDonough	Vursell
Durham	McGehee	Wasielewski
Dworshak	McGregor	Weaver
Earthman	McKenzie	West
Eaton	McMillen, Ill.	White
Ellis	Maloney	Whitten
Ellsworth	Manasco	Whittington
Elsaesser	Mansfield, Tex.	Wickersham
Elston	Martin, Iowa	Wigglesworth
Engel, Mich.	Martin, Mass.	Wilson
Ervin	Mason	Winstead
Fallon	Mathews	Wolverton, N. J.
Fellows	Michener	Woodruff, Mich.
Fenton	Miller, Nebr.	Woodrum, Va.
Fisher	Mills	Worley
Flannagan	Monroney	Zimmerman

## NAYS—61

Bailey	Coffee	Geelan
Biemiller	Delaney,	Gordon
Bloom	James J.	Gore
Bradley, Pa.	Douglas, Ill.	Gorski
Carnahan	Doyle	Green
Celler	Eberhart	Gregory
Chapman	Feighan	Havenner
Chelf	Flood	Hoch
Clements	Gallagher	Hollifield

Huber	May	Rogers, N. Y.
Johnson,	Miller, Calif.	Rowan
Lyndon B.	Neely	Ryder
Kee	O'Brien, Ill.	Sabath
Kefauver	O'Brien, Mich.	Sadowski
Kelley, Pa.	Outland	Savage
Kocplemann	Patman	Somers, N. Y.
LaFollette	Patrick	Spence
Lesinski	Patterson	Starkey
Link	Price, Ill.	Tolan
Madden	Rayfel	Voorhis, Calif.
Marcantonio	Resa	Welch

## NOT VOTING—109

Auchincloss	Griffiths	Murray, Tenn.
Baldwin, N. Y.	Hagen	Norton
Barrett, Pa.	Hall	O'Toole
Barry	Edwin Arthur	Peterson, Fla.
Beall	Hand	Pfeiffer
Bender	Hart	Philbin
Bradley, Mich.	Hays	Powell
Brehm	Healy	Quinn, N. Y.
Buckley	Hébert	Rabin
Campbell	Heffernan	Rains
Cannon, Fla.	Holmes, Mass.	Ramspeck
Cannon, Mo.	Hook	Rich
Carlson	Horan	Roe, N. Y.
Clark	Howell	Rooney
Courtney	Izac	Sasser
Crosser	Jackson	Shafer
Curley	Judd	Sheridan
Curtis	Keefe	Simpson, Pa.
Daughton, Va.	Kelly, Ill.	Slaughter
Dawson	Keogh	Smith, Va.
De Lacy	King	Snyder
Delaney,	Knutson	Stevenson
John J.	Lane	Summer, Ill.
Dickstein	Larcade	Talbot
Dingell	Lea	Thom
Doughton, N. C.	Lewis	Torrens
Douglas, Calif.	Luce	Vorys, Ohio
Drewry	Ludlow	Wadsworth
Elliott	Lynch	Walter
Engle, Calif.	McCormack	Weichel
Fernandez	McGlinchey	Weiss
Gamble	McMillan, S. C.	Winter
Gathings	Mahon	Wolfcott
Gearhart	Mansfield,	Wolfenden, Pa.
Gerlach	Mont.	Wood
Gillette	Morrow	Woodhouse
Gille	Morgan	
Granahan	Murphy	

So the conference report was agreed to.  
The Clerk announced the following pairs:

On this vote:

Mr. Shafer for, with Mrs. Woodhouse against.

Mr. Wood for, with Mr. Jackson against.

Mr. Gillie for, with Mr. De Lacy, against.

Mr. Horan for, with Mr. McGlinchey against.

Mr. Brehm for, with Mr. Granahan against.

Mr. Lewis for, with Mr. Barrett of Pennsylvania against.

Mr. Vorys of Ohio for, with Mr. Sheridan against.

Mr. Lynch for, with Mr. Weiss against.

Mr. Howell for, with Mrs. Douglas of California against.

General pairs until further notice:

Mr. Drewry with Mr. Beall.

Mr. Murray of Tennessee with Mr. Judd.

Mr. Rooney with Mr. Keefe.

Mr. Walter with Mr. Bender.

Mr. Cannon of Missouri with Mr. Hagen.

Mr. Daughton of Virginia with Mr. Gamble.

Mr. Pfeiffer with Mr. Baldwin of New York.

Mrs. Norton with Mr. Holmes of Massachusetts.

Mr. Courtney with Mr. Curtis.

Mr. King with Mr. Bradley of Michigan.

Mr. McCormack with Mr. Carlson.

Mr. Keogh with Mr. Knutson.

Mr. Ramspeck with Mrs. Luce.

Mr. McMillan of South Carolina with Mr. Gillette.

Mr. Dingell with Mr. Rich.

Mr. Fernandez with Mr. Stevenson.

Mr. Lea with Mr. Wadsworth.

Mr. Kelly of Illinois with Mr. Talbot.

Mr. Powell with Mr. Wolfenden of Pennsylvania.



Mr. Doughton of North Carolina with Mr. Simpson of Pennsylvania.  
Mr. Hart with Mr. Wolcott.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: On page 25, line 10, strike out "\$12,166,313,000" and insert "\$11,313,313,000."

Mr. O'NEAL. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. O'NEAL moves that the House recede from its disagreement to the amendment of the Senate No. 32 and concur in the same with an amendment, as follows: "In lieu of the amount inserted by said amendment insert '\$11,799,313,000.'"

Mr. O'NEAL. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I rise to support the motion offered by the gentleman from Kentucky [Mr. O'NEAL].

I am somewhat disturbed over what developed here this morning. While \$853,000,000 were credited to the Air Force, most of that amount seems to have been shifted to other accounts which indicates to me that a great deal of the expenditure in the War Department is being charged up to the Air Force that ought to be charged to some other branch of the Department.

I am in favor of an independent Air Force and have been for many years. I believe it is the only way to keep our Air Force up to date and keep it from being imposed upon, if not suppressed, by other branches of the service.

I was here in 1921 when Gen. Billy Mitchell gave his famous demonstration off Hampton Roads by sinking the *Ostfriesland*, the largest German battleship captured in the First World War. It took less than 20 minutes and only 3 shots from an airplane to accomplish that destruction. He begged Congress then to build up a modern air force, and was court martialed for his pains. Yet 20 years later we found ourselves without an adequate air force when Pearl Harbor was attacked.

I saw the brass hats destroy Billy Mitchell and send him to his grave a broken-hearted hero when, if they had followed his advice, that was backed up by the most glorious examples of his services in the First World War, he would not only not have been court-martialed but we would have had an air force capable of protecting Pearl Harbor in Hawaii as well as the whole United States and of preventing the Japanese from invading the Philippine Islands.

You may say what you please, our defense in the years to come will depend largely upon two things, upon our Air Force and the atomic bomb. I for one am not in favor of peddling the secrets of the manufacture, or the know-how, as President Truman says, of making the atomic bomb to every country in the

world that is now manifesting a lack of interest in universal peace.

If some of them had it now, there is no telling the destruction they would visit upon the helpless peoples of the world.

By maintaining the strongest air force on earth, keeping it right up to the minute, and keeping the atomic bombs we now have and the machinery ready to make more, we cannot only lead the world in the ways of peace but we can say to every other nation on earth, "We are going to expect you to keep the peace." That will do more than all this mollicoddling of a group of wild-eyed internationalists running about all over the world, crawling around on their bellies, and asking some dictator what the taxpayers of America can do for them. Let us look out for America first, if you please. Our men and our materials won this war. If it had not been for America, it would have been hopelessly lost. Now, let us not throw the peace away. Let us maintain the strongest air force on earth, and in order to do that take it out from under every other branch of the service and make it an independent agency, even if we have to consolidate the Army and Navy in order to do it.

Then let us keep the secrets of the know-how of making the atomic bomb to ourselves, so far as its manufacture is concerned. Not another nation on earth can make the machinery with which to make the machinery to manufacture those bombs within 5 years.

We are not expecting to use it for the destruction of other peoples. The American people want peace, but we are not going to have peace as long as we continue to pander to every war-making element in the world and try to appease them at the expense of the taxpayers of the United States and at the expense of the blood and tears of the American people.

We have a bunch running around here now attacking Chiang Kai-shek and backing up the Chinese Communists that were making war on Chiang Kai-shek during the time we were at war with Japan and Chiang Kai-shek was fighting on our side. In that way they cost the lives of thousands of American boys on Iwo Jima, Okinawa, and the other islands of the Southwest Pacific.

Mr. O'NEAL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky [Mr. O'NEAL].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39, page 29, line 10, strike out "\$30,903,090,564," and insert "\$29,752,017,993."

Mr. O'NEAL. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. O'NEAL moves that the House recede from its disagreement to the amendment of the Senate No. 39 and concur in the same with an amendment as follows: "In lieu of

the amount inserted by said amendment, insert '\$30,263,923,923.'"

Mr. O'NEAL. Mr. Speaker, this amendment merely relates to the total and makes it correct.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky [Mr. O'NEAL] that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—RETIREMENT PAY FOR MILITARY PERSONNEL

The SPEAKER laid before the House the following message from the President of the United States which was read, and together with the accompanying bill and papers referred to the Committee on Military Affairs and ordered to be printed:

To the House of Representatives:

I return herewith, without my approval, H. R. 1512 providing that retired enlisted men who have been, or may be, retired with credit for 30 years' service in the Army, Navy, or Marine Corps and who served beyond the continental limits of the United States between 1898 and 1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now provided for the grade in which retired.

While enlisted men who performed certain foreign service between 1898 and 1912 may count such service double in computing length of service for retirement, they do not receive double credit for such service for longevity pay purposes. H. R. 1512 would, in effect, grant double credit in computing longevity pay for the foreign service which was counted double in determining their right to retirement.

Enlisted men who enlisted subsequent to August 24, 1912, may not count such foreign service as double for any purpose. Thus those who performed such service prior to 1912 and retired with less than 30 years of actual service have already received a substantial benefit. I am unable to see any reason for granting further benefits to those included within the particular group covered by this bill, who have already received more favorable treatment with respect to retirement benefits than other service personnel who could retire only after 30 years' actual service.

HARRY S. TRUMAN.

THE WHITE HOUSE, December 3, 1945.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—INDUSTRIAL RELATIONS

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and referred to the Committee on Labor, and ordered to be printed:



*To the Congress of the United States:*

All who think seriously about the problem of reconversion—of changing our economy from war to peace—realize that the transition is a difficult and dangerous task. There are some who would have the Government, during the reconversion period, continue telling our citizens what to do, as was so often necessary when the very life of our Nation was at stake during the period of world conflict.

That, however, is not the policy of the Government. The policy is to remove wartime controls as rapidly as possible, and to return the free management of business to those concerned with it.

It was for the express purpose of getting away as soon as possible from some of the wartime powers and controls that the recent National Labor-Management Conference was called in Washington. Instead of retaining in the Federal Government the power over wages and labor agreements and industrial relations which a global war had made necessary, the top leaders of management and labor were invited to recommend a program under which labor relations would be turned back into the hands of those involved.

It was decided that full responsibility for reaching agreement on such a program would be left with the representatives of labor and management. Accordingly, the conference was made up of leaders of labor and management only. Government representatives participated only as observers, without vote. The agenda and the entire program were worked out by the leaders themselves.

In opening the conference I said:

I want to make it clear that this is your conference—a management-labor conference—and not a Government conference. You have not been chosen by me or by any Government official. You have been selected by the leading labor and industrial organizations in the United States. There has been no interference by Government in that selection. \* \* \*

The time has come for labor and management to handle their own affairs in the traditional American, democratic way. I hope that I can give up the President's wartime powers as soon as possible, so that management and labor can again have the full and undivided responsibility for providing the production that we must have to safeguard our domestic economy and our leadership in international affairs.

I am sure that it was the hope of the American people that out of this conference would come some recommendation for insuring industrial peace where collective bargaining and conciliation have broken down.

The conference is now closed. The very fact that the top leaders of labor and management have met and worked together for more than 3 weeks is itself some progress.

Some agreements on a few general principles were also reached. For example, agreement on the principles of collective bargaining, and recommendations on the detailed procedure to be used; agreement on strengthening and enlarging governmental conciliation services; recognition of the necessity of eliminating discrimination in employment; agreement on settling by volun-

tary arbitration grievances under labor contracts and disputes concerning their interpretation—these are all valuable.

But on the all-important question of how to avoid work stoppages when these expedients have failed, the conference arrived at no accord. Failing in that, the conference was unable to attain the objective most necessary to successful reconversion.

If industrial strife continues, the quick reconversion which has been planned, and which is now proceeding on schedule or even ahead of schedule on many fronts, will fail. In that event, we shall face a period of low production, low consumption, and widespread unemployment—instead of the high production, high employment, good markets and good wages that are within our grasp.

The history of labor relations has proven that nearly all labor disputes can and should be settled by sincere and honest collective bargaining. The vast majority of those disputes which are not adjusted by collective bargaining are settled through Government conciliation. For example during the month of October last, 354 strikes were settled by the Conciliation Service, and 1,282 labor controversies were adjusted before any work stoppages occurred.

The American people commend the many instances where management and labor have settled their problems peacefully. Many of these were in critical industries where work stoppages would have gained great prominence in the newspapers and over our radios. But when industrial disputes were settled, little notice was taken of them by press or radio.

We know, however, that there are always some disputes that cannot be settled this way.

Industrial strife in some key industries means not only loss of a great amount of wages and purchasing power; but it may have ramifications throughout the country affecting the whole reconversion process. In such industries, when labor and management cannot compose their differences the public, through the Federal Government, has a duty to speak and to act. In the last analysis, labor, management, and the public have the same interest.

The reconversion effort is now going well. The people have a right to expect it to succeed. Specific obstacles that stand in its way must not be allowed to defeat that expectation.

Good labor relations are just as important now as they were during the war. They should be based on justice, and not on tests of strength. Any industrial dispute which depends for settlement upon the respective strength of the parties results in loss to everyone; it causes loss of wages to the worker and his family, loss of dividends to the stockholders and owners of the industry, loss of goods to the public.

I regret that labor and management have not been able to agree on machinery that would provide a solution for existing strikes in some of the major industries and for the strikes which are threatened. Strikes already in effect may possibly cripple our reconversion program. Negotiations have broken down in other in-

dustries, and stoppages are threatened.

The American people have been patient. They have waited long in the hope that those leaders in labor and management whose business it was to handle this problem would be able to do so in agreement. The Federal Government declined time and again to make any suggestions to the conference as to proper machinery. All that the Government did was to point out the objective which the American people expected it to attain.

Now that the conference has adjourned without any recommendation on the subject, it becomes the duty of the Government to act on its own initiative. Therefore, I now suggest to the Congress that well-reasoned and workable legislation be passed at the earliest possible moment to provide adequate means for settling industrial disputes and avoiding industrial strife.

I recommend that for the settlement of industrial disputes in important Nation-wide industries there be adopted the principles underlying the Railway Labor Act. The general pattern of that act is not applicable to small industries or to small local disputes in large industries. But it would be effective, as well as fair, in such widespread industries, for example, as steel, automobile, aviation, mining, oil, utilities, and communications. I do not intend to make this list exclusive. Nor do I think that local inconsequential strikes even within these industries should be included. The objective should be to cover by legislation only such stoppages of work as the Secretary of Labor would certify to the President as vitally affecting the national public interest.

In industrial disputes in such industries, where collective bargaining has broken down, and where the Conciliation Service of the Federal Government has been unable to bring the parties to agreement, and where the Secretary of Labor has been unable to induce the parties voluntarily to submit the controversy to arbitration, I recommend the following procedure:

Upon certification by the Secretary of Labor to the effect that a dispute continues despite his efforts, and that a stoppage of work in the affected industry would vitally affect the public interest, the President, or his duly authorized agent, should be empowered to appoint, within 5 days thereafter a Fact Finding Board similar to the Emergency Board provided for under the Railway Labor Act.

I recommend that during these 5 days after the Secretary of Labor has made the above certificate, it be unlawful to call a strike or lockout, or to make any change in rates of pay, hours, or working conditions, or in the established practices in effect prior to the time the dispute arose.

The Board should be composed of three or more outstanding citizens, and should be directed to make a thorough investigation of all the facts which it deems relevant in the controversy. In its investigation it should have full power to subpoena individuals and records, and should be authorized to call upon any Government agency for infor-







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued December 11, 1945, for actions of Monday, December 10, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House received conference reports on appropriation-rescission and UNRRA-appropriation bills. House committee reported bill to transfer Interior's fur-bearing animal activities to Agriculture. Sen. O'Daniel introduced bill to repeal Price Control Act.

HOUSE

1. APPROPRIATION-RESCISSION. Received the second conference report on H.R. 4407 (pp. 11960-1). (No agricultural items included.) House conferees had been appointed earlier in the day (p. 11921).
2. UNRRA-APPROPRIATION BILL. Received the conference report on H.J. Res. 266, making additional appropriations for UNRRA (p. 11960). The reported bill provides that the recommendations, as contained in Rep. Herter's amendment favoring action to persuade recipients of UNRRA aid to agree to various matters (including publication of their trade and barter agreements), are not expressed as a limitation but as a request; and (2) that the "free-press" requirement be based on a request that the President facilitate admission of press and radio representatives to recipient countries (p. 11960).
3. ANIMAL INDUSTRY. The Agriculture Committee reported with amendment H.R. 2114, to provide for the transfer to this Department of Government fur-bearing animal activities, which effect the breeding, etc., of such animals (H.Rept. 1346) (p. 11967).
4. PERSONNEL. The Civil Service Committee reported with amendment S. 405, to amend the Civil Service Retirement Act so that an employee may elect to receive full credit for his military service towards retirement (H.Rept. 1350), and S. 576, to eliminate the 1-year time limit within which incumbents of positions covered into the classified service may be recommended for classification (H.Rept. 1351) (p. 11968).
5. TRANSPORTATION. Passed, 277-45, as reported H.R. 2536, the Bulwinkle bill to



authorize common carriers (including freight forwarders) to apply to the Interstate Commerce Commission for approval of agreements between carriers, authorize the Commission to approve such agreements when in furtherance of the national transportation policy, grant anti-trust law relief with respect to making and carrying out agreements approved by the Commission, and preclude approval of agreements between carriers of different classes except those limited to matters relating to transportation (1) under joint rates or (2) over through routes (pp. 11931-60). Rep. Tarver, Ga., discussed the effect of this bill on freight rates of agricultural commodities (pp. 11939-44).

6. LABOR. Rep. Bienmiller, Wis., spoke opposing the Arends bill, H.R. 3937, to repeal the War Labor Disputes Act and abolish the NLRB (pp. 11965-7).

7. EXPENDITURES. Rep. Rich, Pa., criticized Federal expenditures and the proposed loan to Great Britain (p. 11920).

#### SENATE

8. HEALTH. Began debate on S. 191, the Federal-aid-for-hospital-construction bill (pp. 11891-902, 11903-17).

9. SURPLUS PROPERTY; FARM MACHINERY. Sen. Langer, N. Dak., inserted a Slope County (N. Dak.) Farmers Union petition urging that Government surplus farm machinery, trucks, and tractors be released for farm and agricultural use (p. 11886).

10. MISSOURI VALLEY AUTHORITY. Agreed to Sen. Thomas' (Okla.) request to extend the time to Mar. 15 for the Agriculture and Forestry Committee to report S. 555, the MVA bill (pp. 11902-3).

11. FARM PROGRAM. Sen. Capper, Kans., inserted the National Grange platform on agricultural problems (pp. 11888-9).

12. PRICE CONTROLS. Sen. Hickenlooper, Iowa, inserted a constituent's telegram urging investigation of the possibility of eliminating all price controls, except on sugar, fats, and rents (p. 11885).

13. HOUSING. Received a Racine (Wis.) Common Council petition favoring the Wagner-Ellender-Taft housing bill, S. 1592 (p. 11885).

14. FOREIGN LOANS. Sen. Langer, N. Dak., spoke opposing proposed loans to Great Britain (p. 11891).

15. NOMINATIONS. Confirmed the nominations of W.E. Lee and W. J. Patterson to be Interstate Commerce Commissioners (p. 11918).

#### BILLS INTRODUCED

16. PRICE CONTROL. S. 1676, by Sen. O'Daniel, Tex., to repeal the Emergency Price Control Act. To Banking and Currency Committee. Remarks of author (p. 11887).

17. SURPLUS PROPERTY; VETERANS. H.R. 4931, by Rep. Doyle, Calif., to facilitate purchases of surplus property by veterans. To Expenditures in the Executive Departments Committee. (p. 11968)

18. ADMINISTRATIVE PROCEDURE. H.R. 4941, by Rep. Sumners, Tex., to improve the administration of justice by prescribing fair administrative procedures. To Judiciary Committee. (p. 11968.)



of Justice at least to be in violation of the Antitrust Act.

Mr. STEFAN. That was filed by the Antitrust Division of the Department of Justice and is similar to the Georgia case.

Mr. VOORHIS of California. I should like to ask this question: If that be true that the rates in the Nebraska case were never filed with the Interstate Commerce Commission would this bill have any effect on the continuance of that case? Can the gentleman from North Carolina inform me?

Mr. BULWINKLE. It will not affect that case.

Mr. VOORHIS of California. Then that case will be proceeded with to its conclusion?

Mr. BULWINKLE. That is a matter for the courts to determine. I cannot tell the gentleman what the courts will do.

Mr. STEFAN. Mr. Chairman, will the gentleman yield further in reference to that Nebraska case?

Mr. VOORHIS of California. I should like to ask another question, if the gentleman will pardon me for not yielding. I wish to ask the gentleman from North Carolina: Assuming this bill were passed and assuming the Department of Justice brought a suit and attempted to prove that under one of these agreements pressure had been brought to bear upon a certain carrier to try to prevent that carrier from independently applying for a lower rate, or for the provision of additional service, or something like that, would the provisions of this bill prevent the Department of Justice from bringing such action?

Mr. BULWINKLE. It would not.

Mr. VOORHIS of California. Under the bill, the Department of Justice could still bring such action?

Mr. BULWINKLE. Yes; this is a guarantee of it.

Mr. VOORHIS of California. I now yield further to the gentleman from Nebraska if he wishes me to.

Mr. STEFAN. I merely wanted to clarify the Lincoln, Nebr., case, because it has been set for trial for March. I believe the gentleman from North Carolina, the chairman of the subcommittee, is absolutely right, there is nothing in this bill to prevent the continued prosecution of that case.

I may also add that it is a case very similar to the Georgia case which eventually will be decided in the Supreme Court and may have some effect on the Nebraska case. I do not think this bill will prevent the prosecution of the Nebraska case.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. O'HARA. It is my considered opinion for what it is worth that if this bill is passed both the Nebraska and Georgia suits will become moot. I do not see why the Supreme Court would not so hold.

Mr. VOORHIS of California. We have the statement of the gentleman from North Carolina that that would not be the case.

Mr. O'HARA. I disagree with the gentleman from North Carolina, that is all.

Mr. BULWINKLE. This bill has nothing to do with that case.

The CHAIRMAN. The question is on the committee substitute.

The committee substitute was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ZIMMERMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2536) to amend the Interstate Commerce Act, with respect to certain agreements between carriers, pursuant to House Resolution 429, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 277, nays 45, answered "present" 1, not voting 109, as follows:

[Roll No. 197]

YEAS—277

Adams	Clevenger	Goodwin
Allen, Ill.	Coffee	Gordon
Allen, La.	Cole, Kans.	Gore
Andersen,	Cole, Mo.	Gorski
H. Carl	Cole, N. Y.	Graham
Anderson, Calif.	Cooper	Granger
Andresen,	Courtney	Grant, Ala.
August H.	Cox	Grant, Ind.
Andrews, Ala.	Cravens	Green
Andrews, N. Y.	Crawford	Gregory
Angell	Cunningham	Griffiths
Arends	Curtis	Gwynne, Iowa
Arnold	D'Alesandro	Hagen
Auchincloss	Daughton, Va.	Hale
Bailey	Davis	Hall
Baldwin, Md.	Delaney	Edwin Arthur
Barrett, Wyo.	John J.	Hall
Bates, Ky.	D'Ewart	Leonard W.
Beall	Dirksen	Halleck
Bell	Dolliver	Hancock
Bennet, N. Y.	Dondero	Harless, Ariz.
Bennett, Mo.	Doughton, N. C.	Harness, Ind.
Biemiller	Doyle	Harris
Bishop	Drewry	Hartley
Blackney	Durham	Havener
Bolton	Dworshak	Hays
Boykin	Earthman	Healy
Bradley, Pa.	Elllott	Hedrick
Brooks	Ellis	Hendricks
Brumbaugh	Ellsworth	Henry
Buck	Elston	Herter
Buckley	Engel, Mich.	Hesciton
Buffett	Engle, Calif.	Hess
Bulwinkle	Ervin	Hill
Bunker	Fallon	Hoch
Burgin	Fellows	Hoeven
Butler	Fenton	Hoffman
Byrne, N. Y.	Fisher	Hollfield
Byrnes, Wis.	Flannagan	Holmes, Mass.
Campbell	Flood	Holmes, Wash.
Canfield	Fogarty	Hook
Cannon, Mo.	Fuller	Hope
Carnahan	Gallagher	Howell
Case, N. J.	Gamble	Jarman
Case, S. Dak.	Gardner	Jenkins
Chapman	Gary	Jennings
Chelf	Gavin	Jensen
Chenoweth	Geelan	Johnson, Ill.
Church	Gifford	Johnson, Ind.
Clark	Gillespie	Jonkman
Clason	Gillette	Judd
Clements	Gillie	Kean

Kelley, Pa.  
Kelly, Ill.  
Kerr  
Kilburn  
Kinzer  
Knutson  
Kunkel  
LaFollette  
Landis  
Lanham  
Lea  
LeCompte  
LeFevre  
Lemke  
Lesinski  
Link  
Luce  
Ludlow  
McConnell  
McCormack  
McCowan  
McDonough  
McGehee  
McKenzie  
McMillan, S. C.  
McMillen, Ill.  
Madden  
Manasco  
Mansfield, Mont.  
Martin, Iowa  
Martin, Mass.  
Mathews  
Michener  
Miller, Calif.  
Miller, Nebr.  
Mills  
Monroney  
Morrison  
Murdock  
Murphy  
Murray, Tenn.  
Murray, Wis.

O'Brien, Ill.  
O'Brien, Mich.  
O'Konski  
O'Neal  
O'Toole  
Outland  
Patrick  
Patterson  
Peterson, Fla.  
Phillips  
Pittenger  
Plumley  
Price, Ill.  
Priest  
Rabaut  
Rains  
Ramey  
Ramepeck  
Randolph  
Reed, Ill.  
Reed, N. Y.  
Rees, Kans.  
Resa  
Rich  
Richards  
Riley  
Robertson,  
N. Dak.  
Robertson, Va.  
Rockwell  
Rodgers, Pa.  
Roe, Md.  
Rogers, Fla.  
Rogers, Mass.  
Rogers, N. Y.  
Rowan  
Sadowski  
Savage  
Schwabe, Mo.  
Scribner  
Shafer  
Sharp

Sheppard  
Sikes  
Simpson, Ill.  
Simpson, Pa.  
Slaughter  
Smith, Maine.  
Smith, Ohio  
Smith, Va.  
Smith, Wis.  
Spence  
Springer  
Starkey  
Stefan  
Stewart  
Stigler  
Stockman  
Sullivan  
Sumner, Ill.  
Sumners, Tex.  
Sundstrom  
Taber  
Talbot  
Talle  
Thomas, N. J.  
Tibbott  
Tolan  
Towe  
Vursell  
Wadsworth  
Walter  
Wasielewski  
Weaver  
Welch  
West  
Whittington  
Wickersham  
Wilson  
Wolcott  
Wolverton, N. J.  
Woodhouse  
Woodruff, Mich.  
Zimmerman

NAYS—45

Abernethy  
Barden  
Beckworth  
Bonner  
Brown, Ga.  
Bryson  
Camp  
Combs  
Cooley  
Feighan  
Folger  
Forand  
Gibson  
Gossett  
Hare  
Hobbs

Huber  
Hull  
Johnson.  
Luther, A.  
Johnson,  
Lyndon B.  
Johnson, Okla.  
Kilday  
King  
Kirwan  
Lyle  
Mahon  
Marcantonio  
Neely  
O'Hara  
Pace

ANSWERED "PRESENT"—1

Voorhis, Calif.

NOT VOTING—109

Baldwin, N. Y.  
Barrett, Pa.  
Barry  
Bates, Mass.  
Bender  
Bland  
Bloom  
Boren  
Bradley, Mich.  
Brehm  
Brown, Ohio  
Burch  
Cannon, Fla.  
Carlson  
Celler  
Chipperfield  
Clippinger  
Cochran  
Colmer  
Corbett  
Crosier  
Curley  
Dawson  
De Lacy  
Delaney,  
James J.  
Dickstein  
Dingell  
Domengeaux  
Douglas, Calif.  
Douglas, Ill.  
Eaton  
Eberhart  
Elsaesser  
Fernandez  
Fulton  
Gathings

Gearhart  
Gerlach  
Granahan  
Gross  
Cwinn, N. Y.  
Hart  
Hébert  
Heffernan  
Hinshaw  
Horan  
Izac  
Jackson  
Johnson, Calif.  
Jones  
Kearney  
Kee  
Keefe  
Kefauver  
Keogh  
Kopplemann  
Lane  
Larcade  
Latham  
Lewis  
Lynch  
McGlinchey  
McGregor  
Maloney  
Mansfield, Tex.  
Mason  
May  
Merrow  
Morgan  
Mundt  
Norrell  
Norton

Peterson, Ga.  
Pickett  
Poage  
Rankin  
Rivers  
Russell  
Ryder  
Sabath  
Sparkman  
Tarver  
Thom  
Thomas, Tex.  
Thomason  
Trimble  
Whitten

So the bill was passed.



The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Wood against.  
Mr. Ploeser for, with Mr. Larcade against.  
Mr. Short for, with Mr. Cochran against.

General pairs until further notice:

Mr. Boren with Mr. Latham.  
Mrs. Douglas of Illinois with Mr. Stevenson.

Mr. Burch with Mr. Brehm.  
Mr. Lane with Mr. Hand.  
Mr. Kee with Mr. McGregor.  
Mr. Barrett of Pennsylvania with Mr. Gross.  
Mr. Granahan with Mr. Lewis.  
Mr. Jackson with Mr. Wigglesworth.  
Mr. De Lacy with Mr. Bender.  
Mr. McGlinchey with Mr. Fulton.  
Mr. Weiss with Mr. Baldwin of New York.  
Mr. Norrell with Mr. Carlson.  
Mr. Winstead with Mr. Brown of Ohio.  
Mrs. Douglas of California with Mr. Eaton.  
Mr. Sheridan with Mr. Horan.  
Mr. Dingell with Mr. Jones.  
Mr. Bland with Mr. Keefe.  
Mr. Vinson with Mr. Reece of Tennessee.  
Mr. Rooney with Mr. Schwabe of Oklahoma.  
Mrs. Norton with Mr. Robsion of Kentucky.  
Mr. Powell with Mr. Wolfenden of Pennsylvania.  
Mr. Pfeifer with Mr. Elsaesser.  
Mr. Keogh with Mr. Rizley.  
Mr. Colmer with Mr. Welch.  
Mr. Kefauver with Mr. Vorys of Ohio.

Mr. VOORHIS of California changed his vote from "yea" to "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in two instances, and to include a letter.

Mr. GOSSET asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Arne C. Wipurd.

Mr. SADOWSKI and Mr. KEFAUVER asked and were given permission to extend their own remarks in the Appendix of the RECORD.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a report from the National Delegates Conference of the General Motors Department of the UAW.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. TALLE asked and was given permission to extend his remarks in the RECORD and include certain resolutions passed by the Farm Bureau of Winneeshiek County, Iowa.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an address delivered by Dr. J. P. Taggart, president of the Ohio State Bar Association.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include three newspaper articles.

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD and include comments upon the severe shortage of penicillin in his congressional district during a grippe epidemic.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask that the special order I had to address the House today be transferred to Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

#### ADDITIONAL APPROPRIATION FOR UNRRA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report on House Joint Resolution 266, providing additional funds for UNRRA.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 266) making an additional appropriation for the United Nations Relief and Rehabilitation Administration, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

"Restore the matter stricken out by said amendment, amended to read as follows:

"In adopting this joint resolution the Congress does so with the following recommendations:

"A. That the United States member of the control committee of the United Nations Relief and Rehabilitation Administration is hereby requested, by appropriate resolutions or agreements, to secure favorable action by that committee or by the United Nations Relief and Rehabilitation Administration Council to attain the following objectives:

"(1) That all trade agreements and all barter agreements of a recipient country with other nations, together with satisfactory information on all exports from, and imports into, such country, whether for governmental or private account, will be made available to the United Nations Relief and Rehabilitation Administration.

"(2) That each recipient country shall supply accredited United Nations Relief and Rehabilitation Administration personnel with all necessary facilities, credentials, documents, and safe conduct in carrying out the objectives of the United Nations Relief and Rehabilitation Administration agreement, including all necessary inspections and investigations.

"(3) That the Administration, if it determines such a course to be desirable, will be permitted, during the period of its operations in a recipient country, to retain title to all motor-transport equipment supplied by the Administration and will also be permitted to route such equipment and to direct the use of the fuel and lubricants supplied by the Administration.

"B. That the President is hereby requested, through appropriate channels, to facilitate the admission to recipient countries of properly accredited members of the American press and radio in order that they be permitted to report without censorship on the utilization and distribution of United

Nations Relief and Rehabilitation Administration supplies and services."

And the Senate agree to the same.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

KENNETH MCKELLAR,  
CARL HAYDEN,  
MILLARD E. TYDINGS,  
RICHARD B. RUSSELL,  
C. WAYLAND BROOKS,  
STYLES BRIDGES,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 266) making an additional appropriation for the United Nations Relief and Rehabilitation Administration, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, as to each of such amendments, namely:

Amendment No. 1: Strikes out, as proposed by the Senate, the provision requiring utilization, to the extent possible and practicable, of domestic agricultural commodities determined by the Secretary of Agriculture to be in surplus.

Amendment No. 2: Substitutes for conditions (A) (1), (2), and (3), and (B), as proposed by the House, the conditions attached to the bill (H. R. 4649) to enable the United States to further participate in the work of the United Nations Relief and Rehabilitation Administration, as passed by the House, the principal differences being (1) that conditions (A) (1), (2), and (3), and (B) are not expressed in the form of a limitation, but as a request of the United States member of the control committee of the United Nations Relief and Rehabilitation Administration to secure favorable action of such committee or by the United Nations Relief and Rehabilitation Administration to attain acceptance thereof; and (2), that (B), in lieu of denying funds or commodities to countries not permitting representatives of the press and radio of the United States free rein with respect to UNRRA activities, requests the President, through appropriate channels, to facilitate the admission to recipient countries of properly accredited members of the American press and radio for reporting without censorship on the utilization and distribution of United Nations Relief and Rehabilitation Administration supplies and services.

CLARENCE CANNON,  
C. A. WOODRUM,  
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J. BUELL SNYDER,  
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LOUIS C. RABAUT,  
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EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

#### THE RESCISSION BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a report on H. R. 4407, reducing certain appropriations.



Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will these conference reports be the first order of business tomorrow?

M. McCORMACK. If they are reported it is the intention to call them up the first thing tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate numbered 32 and 39 to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the amendments of the Senate numbered 32 and 39, and concur therein.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
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STYLES BRIDGES,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, as to each of such amendments, namely:

Amendments Nos. 32 and 39: Rescinds \$11,799,313,000 of the appropriation Air Corps, Army, 1942-46, instead of \$12,166,313,000, as originally proposed by the House, and \$11,313,313,000, as proposed by the Senate.

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EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

#### THE REPUBLICAN PLATFORM

The SPEAKER. Under the previous order of the House, the gentleman from Tennessee [Mr. GORE] is recognized for 30 minutes.

Mr. GORE. Mr. Speaker, some months ago, in September, I believe it was, the many people of this country who genuinely believe in the efficacy of our

two-party system were both encouraged and surprised when the Republicans gave out the startling announcement that they were going to get themselves a platform at long last.

That was news indeed.

There were many people, of course, who were surprised, to say the least of it, at this Republican confession that they had not had a program all these years. Perhaps it was but natural for some to wonder what they had been doing for the past 10 years of unparalleled world crises, when myriads of problems, both domestic and foreign, pressed for solution, when the fate of civilization hung in the balance.

Perhaps some of the more credulous of the rank and file Republicans felt pretty put out to learn that the leadership of their party plainly considered the platforms of 1936, 1940, and 1944, as meaningless nothings—with which, by the way, the majority of Americans agreed at the time. No one likes to be played for a sucker and he can get pretty sore when he finds out that he has been deliberately nicked three times in the same old shell game.

Everybody agreed it was high time for the Republicans to change their ways. So last September, when this announcement came it was a source of genuine delight that the Republicans had had a change of heart, that they were going to reform. You know, it is always a good thing to see a hardened old Senator hit the sawdust trail.

And, Mr. Speaker, as they would say down in my country, it was a bright confession, too.

There was to be no more of this double talk, no more weasel words, no more of this business about not letting the right hand know what the left was doing. No, sir. It was going to be above board and the cards would be face up on the table.

Yessiree. Believe it or not, the Republican high command was going to come out for something and quit beating around the bush. The party wheel horses were going to come out into the open and operate so all could see. They had turned over a new leaf; there were to be no more subterfuges, no more devious dodges on every issue. Yes; they were going to say what they meant and stand by it.

For instance, the distinguished gentleman from Massachusetts, the Honorable JOSEPH MARTIN, whom we all love, gave a public statement on September 14, and I would like to read some of that statement to you. He said:

We plan to set before the country a definite and a concise statement of the aims and objectives of the Republican Party. We plan to do this in such a manner as will leave no room for questioning as to where the Republicans stand on the issues before the country.

Mr. Speaker, no wonder the country was startled. Nothing like this had been heard from the Republican Party for many, many a day. It was a radical change from tradition; in fact, it was but little short of political revolution. Everybody held their breath and could hardly believe their eyes and ears.

Yes, in their own good time, the Republicans were going to give us a platform that meant something, and it was going to be something that would blow the Democrats out of the water.

Then, in a press interview after President Truman gave his liberal, comprehensive, concise 21-point reconversion and the peace-prosperity program, the distinguished gentleman from Massachusetts sideswiped that and in so doing further excited our curiosity about this great Republican platform that was in the making.

He said:

People won't fall asleep when they read it. It will be no 2-hour proclamation, and everyone can understand it.

After these press interviews the world stood by breathlessly and waited while the best brains of the Republican Party cooked up their high explosives on the front burner and promised us their atomic bomb from day to day.

Mr. Speaker, I know you know, and I believe our friends who are not privileged to be in Congress will understand, how we Democrats felt all this time, having to sit here quietly and helplessly while our utter doom and annihilation was being plotted behind closed doors by the high moguls of the Republican Party who, by the way, are experts at anything having to do with destruction.

I tell you it was a harrowing, nerve-racking experience. The anxiety was so great that some of us could hardly sit still.

We waited, and we waited, and we waited. But finally the fateful day came, and after the most incredible travail and labor the Republican Party gave birth.

The anxious world wanted to see it immediately, but before they would let vulgar eyes be cast upon the offspring they called a secret caucus in this Chamber and let the inner circle of the clan see it. They gave it their hopeful blessings. And then the whole impatient world was permitted to look.

To say that the world was astounded is to put it mildly, for instead of it being a fresh, sweet, lusty, promising youngster, as we had been told, it looked exactly like its Old Guard daddy, dressed up in a newly phrased paper baby dress.

From end to end the country was paralyzed—with laughter. The joke was on us, but it was so good that we did not mind the long wait and the long anticipation.

Mr. Speaker, it was the most colossal hoax since Hoover's rounding of prosperity corner.

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. GORE. If the gentleman will just give me time to give this monstrosity an orthodox birth, then I will gladly yield.

As if to get it out of Washington as quickly as they could, it was hurriedly bundled up and taken out to Chicago, there to be exhibited to a great national gathering of the clan.

But they were not fooled, either. You know, the first fellow that came up to take a look, took one look and backed



off and really made an unkind remark. He said, according to the newspapers: "The mountain labored and brought forth a not very forthright mouse."

Then the second came up and peeked over. He backed up and said: "It left me cold."

Then they began to pass by. The next one said: "It looks wishy-washy."

The next one looked and said: "Yes, and it looks vague."

Then another really slayed the young fellow. He said: "It is a pussyfooting conglomeration of words."

Mr. Speaker, I think it would be appropriate today if we on this side of the aisle extended our sympathies and condolences to our lovable colleagues across the aisle. It must have been most humiliating. The big-wigs at Chicago actually did not want to own the little thing.

It would, perhaps, come with some political taste for a Democrat to express disappointment that the platform offers no real "clean-cut choice" for the American people between fundamental political concepts, as to the two-party system is supposed to do.

Therefore, I would like to read an editorial which does make that suggestion. I read from an editorial in a great independent newspaper, the Washington Daily News, of December 6:

The document is a sorry apology for a program. It is still wordy, wordy, and wordy, and most of the words are "weaselly." Eighty percent of its pledges could be made consistently—and more convincingly—by President Truman. It is a jumble of vague promises, shabby phrases, glittering generalities and vacant viewings with alarm.

Reading this so-called statement of aims and purposes, you find it hard to see any difference between the Republican Party and the Democratic—except that the Republican Party is out of power. And quite likely to stay there, if this is the best it can offer.

Undoubtedly, Mr. Speaker, you have read this now famous document, and so have I. I have it here. It really is remarkable. It begins with a hair-raising preamble, picturing the issue before the country as between radicalism, exploitation, and regimentation on the one side, and home rule, liberty, and protection of the American way of life on the other.

I notice my distinguished friend here in very faint applause, my distinguished Republican friend from Iowa. May I say to him, if that were the real issue, our great two-party system would be in grave danger of destruction, because all the American people, even the Democrats, are united in support of home, liberty, and protection of the American way of life.

Mr. JENSEN. Mr. Speaker, will the gentleman yield since he has referred to me?

Mr. GORE. I will be delighted to yield.

Mr. JENSEN. I want the gentleman to know that I think that is the issue, wrapped up in a few words. I also note that for the first time for quite some time the gentleman and the Democratic Party, or the New Deal Party, whatever you care to call it, have taken more notice of

that clean-cut program of the Republican Party than any other program we have got out for a good many years. Certainly there must be something in there the gentleman does not like and his party does not like or he would not spend so much time criticizing it.

Mr. GORE. I thank the gentleman for his very kind contribution. It is true that as a Democrat I like it, because 80 percent of it is an endorsement of the programs of a great Democratic administration. It is true also that we Democrats, as well as the country, have recognized it. You know, what a great political party does, what either of our great political parties does, the official actions they take, are tremendously important to this country because it is through the workings of those two parties that the American people can express their choice. But, Mr. Speaker, it is just as significant, and sometime more tragically so, when either of the parties fails to live up to its responsibility.

Yes, we have taken note and we recognize this so-called new platform for all it is worth—exactly nothing.

Mr. Speaker, the gentleman says he believes that is the issue. I see he is running true to Republican form, waging militant battle against a straw man. When I found this big boggy man, this vicious straw man in the preamble, I rested back in my chair to enjoy reading how my colleagues would go through the customary Republican gymnastic routine of gallantly knocking down the straw man and literally tearing him to pieces.

But, you know, they were not quite up to form. I was as surprised as many other people were to see that, in the extreme exertions of shadow-boxing, they succeeded, not in knocking down the straw man, but by dodging all the issues, they succeeded, I believe, in knocking themselves out of any real hope of bettering their political fortunes in 1946.

True, in the very next paragraph, they promise to give to the people the "clean-cut choice," which the gentleman has just said he thought this offered. But beyond that, they bogged down. After that promise, all they did, if you read it, was two things: Either to endorse the programs of a Democratic administration or to straddle and dodge the issues. For instance, they say, "We endorse the United Nations Organization for international peace." Well, so do we. The only difference is it was under the leadership of a great Democratic President, one of the greatest men ever to live—it was under a great Democratic Secretary of State whose name, as long as the annals of this Nation last, will grace the records of our foreign policy—it was under a great Democratic administration and a Democratic Congress that we took the leadership and responsibility in organizing the United Nations Organization. To be sure, we had valuable Republican assistance and for that we are grateful and have expressed that gratitude many times. But, Mr. Speaker, there is no "clean-cut choice" between the real McCoy and a "me, too."

Yes, they had plenty of chances to take a stand. Let us see where they were faint-hearted and where they were bold.

After deploring some imaginary desertion of high, lofty principles, and after viewing with alarm some possible embracement and endorsement of foreign ideologies, they really succeeded in putting their foot down. It is strange, of course, for the Republican Party to officially put their foot down and stand there. But here is where they have done it. Yes, sir; with audacious courage and inspired leadership they say: We favor a "strong, solvent, free America." And that is where everybody is supposed to shout "hurray."

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. GORE. I am delighted to yield to the distinguished gentleman.

Mr. HOFFMAN. Is it not true that the Democratic Party put its foot down on this FEPC issue?

Mr. GORE. For one thing, the Democratic Party put its foot down on that issue in its platform. For another, it has put its foot down through the statements and the messages of two great Democratic Presidents, and the House Labor Committee has favorably reported it. A discharge petition to bring the bill to the floor of Congress is lying on the Speaker's desk. It requires 218 signatures. There are 157 signatures on the discharge petition—I just looked at it—and only 50 of them are Republicans, and the Republican Party, too, endorsed FEPC in their platform.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield further on that same issue?

Mr. GORE. I wonder if the gentleman himself is in any position to question me on that.

Mr. HOFFMAN. Well, I think so. I have been against it all the time from the beginning to the end, and I still am. What I was wondering was: What has the Democratic Party done to enact legislation giving force to the utterances of its great leaders and Members of the House who advocate it?

Mr. GORE. I have just outlined to the gentleman the steps that have been taken. I am wondering just what steps his party has taken.

I now yield to the distinguished minority leader of the House of Representatives, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. I will say to the gentleman that in the vote in the Committee on Rules there were six votes to bring out the FEPC bill. Four of them were cast by Republicans, which four constitute the entire representation of the Republican Party on that committee. Six Democrats out of eight voted against giving the House a chance to act on the legislation. Furthermore, I may say it only requires you to get one of six other Democrats and the legislation will be here immediately. As one who is for the FEPC, and is doing everything he can to see that it passes this House before we adjourn next June, I hope the gentleman will cooperate in getting that additional vote in the Committee on Rules.

Mr. GORE. The gentleman brings up an amusing piece of horseplay, which is typical of the way his party tries to



## FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

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DECEMBER 10, 1945.—Ordered to be printed

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Mr. CANNON of Missouri, from the committee of conference,  
submitted the following

### CONFERENCE REPORT

[To accompany H. R. 4407]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate numbered 32 and 39 to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the amendments of the Senate numbered 32 and 39, and concur therein.

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
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ALBERT J. ENGEL,

*Managers on the Part of the House.*

KENNETH MCKELLAR,  
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C. WAYLAND BROOKS,  
STYLES BRIDGES,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate:*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, as to each of such amendments, namely:

Amendments Nos. 32 and 39: Rescinds \$11,799,313,000 of the appropriation Air Corps, Army, 1942-46, instead of \$12,166,313,000, as originally proposed by the House, and \$11,313,313,000, as proposed by the Senate.

CLARENCE CANNON,  
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EVERETT M. CIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

Dec.

11.





DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued December 12, 1945, for actions of Tuesday, December 11, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate committee reported without amendment bill to permit detail of regular army officers to USDA. Senate debated Federal pay bill. Both Houses agreed to second conference report on appropriation-rescission bill. Both Houses agreed to conference report on UNRRA appropriation bill. House received President's recommendation for new UNRRA appropriation. Rep. Manasco announced that conferees have agreed to report reorganization bill.

HOUSE

1. APPROPRIATION RESCISSION BILL. Both Houses agreed to the second conference report on this bill, H. R. 4407 (pp. 11998-2002, 1191). As finally passed, the bill includes the following rescissions:
  - WFA salaries and expenses, \$3,116,894.
  - Emergency supplies for territories and possessions, \$25,000,000.
  - Emergency rubber project, \$1,649,790, with provision that the balance shall be used to liquidate the project, including elimination of remaining plantations, rehabilitation and return of leased lands and disposal of property, and continuation of research until June 30, 1946; provided that balances shall be available until Dec. 31, 1946, to complete the liquidation of the project.
  - FEA, \$3,884,400.
  - ODT, \$3,075,000.
  - Office of Economic Stabilization, \$53,780.
  - Office of Scientific Research and Development, \$56,101,792.
  - Emergency fund for the President, \$45,000,000.
  - Lend-lease, including \$1,351,216,000 for agricultural and other commodities, with provision that the \$500,000,000 price-support fund shall be paid to CCC and continued as a reserve fund; \$600,000,000 contract authorizations.
  - Civil Service Commission, \$2,032,000.
  - Public Buildings Administration, \$750,000.
  - War housing, \$74,355,000.
  - Return of employment offices to States in 100 days.
  - Provision for transfer of funds to agencies liquidating temporary agencies.
  - Provision that crop and livestock estimates (BAE); OFAR; meat inspection (BAI); fruit, vegetable, and specialty crops (BPISAE); foreign plant quarantine (BEPQ); national forest protection and management (FS); and

forest-fire cooperation (FS) appropriations shall be so administered as to avoid deficiencies except for Pay Act expenses which can't be absorbed. This bill will now be sent to the President.

2. UNRRA APPROPRIATION. Both Houses agreed to the conference report on H. J. Res. 266, to appropriate \$550,000,000 additional for UNRRA (pp. 12002-3, 11990-1). This measure will now be sent to the President.

Received from the President a supplemental appropriation estimate of \$1,350,000,000 for UNRRA (H. Doc. 384). To Appropriations Committee. (p. 12035).

3. LABOR. Rejected; 182-200, a resolution for consideration of H. R. 3937, to repeal the Labor Disputes Act and to abolish WLB (pp. 12003-22).

Agreed; 259-108, to a resolution for consideration of H. R. 32, the Hobbs anti-racketeering bill (pp. 12022-7).

4. REORGANIZATION BILL. Chairman Manasco of the Expenditures in the Executive Departments Committee announced that the conferees on this bill, H. R. 4129, have reached an agreement (p. 11997).

#### SENATE

5. PERSONNEL DETAILS. The Military Affairs Committee reported without amendment S. J. Res. 113, to permit detail of regular army officers to this Department (S. Rept. 841) (p. 11972).

6. FEDERAL PAY BILL. Continued debate on this bill, S. 1415 (pp. 11983-90, 11991-2). Sen. Langer, N. Dak., spoke opposing an increase of 20% but favoring smaller increases (p. 11984). Sen. Downey, Calif., urged 20% increases, citing the increased cost of living and the need for retaining experienced workers (pp. 11984-6). This bill was made the order of business for Dec. 13 (pp. 11991-2).

7. 1ST DEFICIENCY APPROPRIATION BILL, 1946. Agreed to Sen. McKellar's (Tenn.) request for authority to report this bill, H. R. 4805, on Dec. 13 if it is ready at that time (pp. 11990-1).

8. WAR POWERS. The Judiciary Committee reported with amendment H. R. 4780, to amend the Second War Powers Act relative to the duration of such powers (S. Rept. 844) (p. 11972).

9. HEALTH. Passed with amendments S. 191, the Federal-hospital-aid bill (pp. 11973-11975-83).

10. HOUSING; VETERANS. Began debate on S. J. Res. 122, to authorize additional appropriations to provide housing for veterans (pp. 11992-5).

11. RESEARCH. Sen. Mead, N. Y., inserted a N. Y. College and Universities Assn. resolution urging deferment of science students from military service (p. 11971).

12. FARM LOANS; MISSOURI VALLEY AUTHORITY. Sen. Langer, N. Dak., inserted a Logan County (N. Dak.) Farmers' Union resolution recommending increased farm loans to veterans, favoring establishment of an MVA, and opposing loans to Great Britain (p. 11972).

#### BILLS INTRODUCED

13. NATURAL RESOURCES. H. R. 4955, by Rep. King, Calif., to establish a national nat



He asked Mr. Clark some innocuous questions about the number of employees in the Department of Agriculture.

Mr. BYRD. Mr. President, the Senator from Virginia was not even present when Mr. Clark testified. The Senator from California is totally wrong in what he is saying. There were only two Cabinet heads present while I was there.

Mr. DOWNEY. Mr. President, I stand corrected. I meant to say Mr. Anderson.

Mr. BYRD. I did ask Mr. Anderson, as the Senator will find if he will read the testimony, what reduction he expected to make, when he expected to make it, and other details about his Department, and I asked the same thing of General Flemming. They were the only two witnesses there when I was present who had to deal with this matter. The Senator knows that he held these meetings day after day when other Senators, including myself, the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Connecticut [Mr. HART] had to attend important meetings of the Atomic Bomb Committee, important meetings of the Naval Affairs Committee, and of the Finance Committee. I was able to attend only two sessions of the Senator's committee meetings. The committee had only six meetings on a bill involving \$1,000,000,000. That is what this bill involves directly or indirectly, if passed in its present form. It will cost to the Government \$1,000,000,000 each year as a permanent salary increase. The committee had only six meetings. At the last meeting there was only one witness. He was Dr. Bush, the scientist. I attended every meeting I could attend. The first meeting was on November 2 and the bill was reported on November 15. There were only two casual executive meetings held. The bill was not even read for amendment, as is usually done.

The fact that the Senator offers an amendment today shows the lack of consideration that was given to the bill, because that amendment should have been put on the bill in committee. But the Senator was so precipitous and so anxious to get the bill to the floor of the Senate in the form in which it was that he did not even think about placing in it an amendment providing that the 20-percent increase should not apply to employees whose compensation is such that the increase would make their salaries higher than those received by Senators and Representatives. Later, when he thought of it he, of course, knew that he could not increase the salaries of the civil-service employees in excess of the salaries paid Members of Congress. Therefore he submitted this amendment which provides that the bill shall not operate to increase any salaries to over \$10,000.

I want to say, Mr. President—

Mr. DOWNEY. Mr. President, I refuse to yield further now. The Senator has imputed certain statements to me, and all I am trying to do is to clarify the record. I want to say that the chairman of the committee wanted to call before the committee, so the Senator from Virginia could cross-examine them, Mr. Forrestal and Mr. Patterson. First the Senator from Virginia asked me twice to put over committee hearings, which I did

at his request. I thereupon made an engagement with most of the members of the committee and Mr. Patterson and Mr. Forrestal to attend a committee meeting. The Secretaries had very considerable difficulty working out their agendas. They agreed to come. I then found that the Senator from Virginia could not be present, and, with much embarrassment, I told the Secretaries that we could not hear them. I again arranged an appointment for those two Cabinet members, and again hardly a single member of the committee could be present. I again would have attempted to have those two Secretaries appear before the committee, but members of the committee gave me clearly to understand that they could not attend more than perhaps one meeting a week from then on. The distinguished Senator from Virginia wanted to call before the committee all of the agency heads and department heads.

Mr. BYRD. Mr. President, I emphatically deny that. The Senator is making a statement which is not true.

Mr. DOWNEY. It would have taken months to have carried on such an investigation.

As chairman of the committee I took another fact into consideration. The Senator from Virginia is chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, which is charged with the duty and responsibility of investigating personnel needs in the various agencies of the Government, and is given funds to conduct such investigations. I thought that we could save a great deal of work by using the records of his committee, instead of calling before our committee 25, 50, 75, or 100 agency heads, which would have been an interminable task. As I shall show tomorrow, I knew that it would be almost impossible to perform in a period of less than 6 months such a task as he suggested.

I obtained records of the hearings before his committee. During the whole of the past year the distinguished Senator from Virginia called before his committee representatives of not to exceed four agencies, I believe. Over a period of a whole year he called the UNRRA officials; he called Mr. McNutt; he called Arthur Flemming, and perhaps representatives of one or two other groups. That was what his committee did in discharging its responsibility in connection with these various matters.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BYRD. I merely wish to state that the Joint Committee on Reduction of Nonessential Federal Expenditures has been engaged—and I think more or less effectively—in preparing a plan of reorganization. At the request of the committee the information was available with respect to the reorganization, and the plan was prepared and delivered to President Truman. It was a colossal task. The Senator has endeavored to infer that the committee has not been at work. It has worked hard. Hearings were not necessary with respect to the reorganization. I will furnish the Senator a copy of the plan if he desires it.

Hearings had been held previously. The background had been obtained. At the request of the President the committee worked diligently in order to prepare a plan of reorganizing 1,151 bureaus. The plan was delivered to the President a short time ago.

Mr. DOWNEY. The distinguished Senator clearly indicated that he wanted to call each of the agency heads before our committee and go into an inquiry as to their present "bloated bureaucracy," as he expressed it, and into an investigation of what they expected to do in the future. I consulted with distinguished members of the Appropriations Committee, and I found that for months most able and conscientious Members on both sides of the aisle had been investigating those very problems. I found that in Washington literally thousands of men were working almost every day at calculations as to their present employees and their future needs. I found that the Appropriations Committee might take several days with a single group. From what I knew of the distinguished Senator from Tennessee and other members of the Appropriations Committee, I believed that they were doing a first-class job.

I do not underestimate the desire of bureaucracy always to grow and expand. I do not underestimate the difficulties of the Bureau of the Budget and of the Appropriations Committee, as well as of Congress. But it seemed to me entirely irrelevant for me, with my comparatively humble committee, with no funds, to call before the committee the various agency heads and start an investigation as to their present and future personnel needs.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WHITE. I do not wish to say anything that would be offensive either to the Senator from California or the Senator from Virginia; but I confess that I do not quite see the relevancy of the discussion as to what took place in the committee, what witnesses were called and what witnesses were not called, and whether witnesses were examined or not examined, to the simple question whether the pending bill is to be temporarily laid aside, to be proceeded with day after tomorrow.

Mr. DOWNEY. I think the suggestion of the distinguished minority leader is well made and so far as I am concerned I have no desire to pursue this sort of discussion. I do not think it gains anything for anyone.

Mr. President, as I understand, the bill will go over until day after tomorrow, at noon, and then will be taken up.

Mr. HILL. Mr. President, it may be that the bill can go over until day after tomorrow; but I do not wish to commit the Senate at this time, for the reason that the deficiency bill may be ready for consideration day after tomorrow, which will be Thursday. The deficiency bill contains items which must be acted upon before the Congress takes a recess. Many of the items are urgent, and some of them are of an emergency character. If the deficiency bill is ready it may not be possible to proceed with the consid-



eration of this bill on Thursday. There may be some other bills of an emergency nature with which the Senate will have to proceed. So at this time there is no way to have any binding agreement or commitment that this bill will be proceeded with day after tomorrow.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The Senator will state it.

Mr. WHITE. Is not the bill before the Senate the unfinished business of the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. WHITE. And it can be displaced only by a privileged matter.

Mr. HILL. It can be displaced in one of two ways, either by unanimous consent, which temporarily lays the bill aside for the consideration of some other matter, or by a motion to proceed to the consideration of some other matter.

Mr. WHITE. But in the normal course, and without the intervention of some such circumstance as the Senator from Alabama suggests, the bill would continue to be before the Senate.

Mr. HILL. The bill would continue before the Senate until finally disposed of, unless it should be disposed of in one of the two ways suggested. But I did not wish the Senator from California to feel that he had any positive commitment that, come what may, his bill would absolutely be proceeded with on Thursday. Perhaps other matters may be considered to be more urgent and more of an emergency nature.

Mr. DOWNEY. Mr. President, the distinguished acting chairman of the Appropriations Committee [Mr. McKELLAR] has just entered the Chamber. We were discussing the possibility of the deficiency bill being ready for consideration by the Senate, and its effect upon the consideration of other legislation. I wonder if the distinguished Senator can inform us what the prospects are?

Mr. McKELLAR. Mr. President, we had hoped to get through the proof today, but there will be several witnesses tomorrow morning. I very much hope that we can get the bill before the Senate some time on Thursday. I do not know just exactly when, but I am doing my best. We have had a great many witnesses before the committee, more than the usual number. We have had to give them a hearing, but we are hoping to get through with the bill on Thursday.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. Does the Senator mean that he hopes to report the bill on Thursday? If so, will the Senator try to obtain consideration of the bill on the same day?

Mr. McKELLAR. In that event unanimous consent would be required for consideration of the bill on Thursday.

Mr. BANKHEAD. In all probability, then, it will be Friday before the bill can be taken up.

Mr. McKELLAR. It may be.

Mr. DOWNEY. Mr. President, can the distinguished Senator suggest how long a time may be required by the consideration of the deficiency bill?

Mr. McKELLAR. I believe it can be disposed of in a day. I do not anticipate that its consideration will require a long time. There are a great many items of appropriation in the bill, but the committee has gone over the items very carefully, and I hope that we can report a bill which will not involve much controversy.

Mr. DOWNEY. I thank the Senator.

# ADDITIONAL APPROPRIATION FOR THE UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION — CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 266) making an additional appropriation for the United Nations Relief and Rehabilitation Administration, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"In adopting this joint resolution the Congress does so with the following recommendations:

"A. That the United States member of the control committee of the United Nations Relief and Rehabilitation Administration is hereby requested, by appropriate resolutions or agreements, to secure favorable action by that committee or by the United Nations Relief and Rehabilitation Administration Council to attain the following objectives:

"(1) That all trade agreements and all barter agreements of a recipient country with other nations, together with satisfactory information on all exports from, and imports into, such country, whether for governmental or private account, will be made available to the United Nations Relief and Rehabilitation Administration.

"(2) That each recipient country shall supply accredited United Nations Relief and Rehabilitation Administration personnel with all necessary facilities, credentials, documents, and safe conduct in carrying out the objectives of the United Nations Relief and Rehabilitation Administration agreement, including all necessary inspections and investigations.

"(3) That the Administration, if it determines such a course to be desirable, will be permitted, during the period of its operations in a recipient country, to retain title to all motor-transport equipment supplied by the Administration and will also be permitted to route such equipment and to direct the use of the fuel and lubricants supplied by the Administration.

"B. That the President is hereby requested, through appropriate channels, to facilitate the admission to recipient countries of properly accredited members of the American press and radio in order that they be permitted to report without censorship on the utilization and distribution of United Nations Relief and Rehabilitation Administration supplies and services."

And the Senate agree to the same.

KENNETH MCKELLAR,  
CARL HAYDEN,  
MILLARD E. TYDINGS,  
RICHARD B. RUSSELL,  
C. WAYLAND BROOKS,  
STYLES BRIDGES,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

The report was agreed to.

# FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate numbered 32 and 39 to the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the amendments of the Senate numbered 32 and 39, and concur therein.

KENNETH MCKELLAR,  
CARL HAYDEN,  
MILLARD E. TYDINGS,  
RICHARD B. RUSSELL,  
C. WAYLAND BROOKS,  
STYLES BRIDGES,  
CHAN GURNEY,  
JOSEPH H. BALL,

*Managers on the Part of the Senate.*

CLARENCE CANNON,  
C. A. WOODRUM,  
LOUIS LUDLOW,  
J. BUELL SNYDER,  
EMMET O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,  
ALBERT J. ENGEL,

*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. TAFT. Mr. President, what was done regarding the employment offices? Was there no difference between the House and Senate?

Mr. McKELLAR. The conference report on that subject was adopted a week or 10 days ago, and the time was fixed at 100 days.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

# AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO SUBMIT REPORT

Mr. McKELLAR. Mr. President, in view of the urgency of passing the deficiency bill, I ask unanimous consent to report the bill, if it is ready to report, on next Thursday.

Mr. HICKENLOOPER obtained the floor.

Mr. REVERCOMB. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Iowa yield to the Senator from West Virginia?

Mr. HICKENLOOPER. I yield.



# House of Representatives

TUESDAY, DECEMBER 11, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our most loving Father, Thou who art touched with a feeling of our infirmities, who hath been in all points tempted like as we are, yet without sin, let us draw near, that we may receive mercy and grace in the time of need. In Thy holy presence our souls take delight and we pray Thee to establish the works of our hands. Grant that the ministry of the Manger Child may make us more sacrificial, more sympathetic, as we move among our fellow men. With fervent minds and sincere hearts, we would seek those things that will honor Thee and bless our country, and to this service we dedicate ourselves. Grant that our people may claim Thy sway and faithfully carry forward those blessings which are the greatest conceived by thought of man. In the name of Christ we pray. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## GOVERNMENT REORGANIZATION BILL

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MANASCO. Mr. Speaker, I announce to the House that the conferees on the reorganization bill have come to an agreement this morning. If approved by the Congress, this reorganization bill would give President Truman the wide powers he sought to bring about efficiency and economy in the swollen wartime Government. It is, in truth, a reconversion bill in the transition of Government from its war to peacetime functions.

Both the Senate and House conferees were anxious to grant to the President broad powers without sacrificing the obligations of Congress. I believe that the bill which has been approved will grant the President the tools he needs and still preserve the prerogatives of Congress.

The conference bill contains few exemptions, and in this respect follows the policy laid down by the Committee on Expenditures in the Executive Departments and the House of Representatives.

The SPEAKER. The time of the gentleman from Alabama has expired.

## NAVY DEPARTMENT AND UNITED STATES FOREIGN POLICY

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. PATTERSON addressed the House. His remarks appear in the Appendix of today's RECORD.]

## EXTENSION OF REMARKS

Mr. MCKENZIE asked and was given permission to extend his remarks in the RECORD and include a news item.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a news item.

Mr. SNYDER asked and was given permission to extend his remarks in the RECORD and include a statement from Pvt. Joseph L. Lockhard, Williamsport, Pa., who was at Pearl Harbor on the morning of the disaster.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD in two instances, in the first to include an article which appeared in the Brooklyn Eagle Supplement of December 9 entitled "Sheepshead Bay (Brooklyn) Maritime Training Station," and in the second instance to insert an address delivered by Hon. James A. Farley at the annual dinner of the Bronx County Bar Association entitled "The Party Responsibility in a Democracy."

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include an editorial.

## SPECIAL ORDER

Mr. SPRINGER. Mr. Speaker, my colleague the gentleman from Oklahoma [Mr. RIZLEY] had a special order today, but, owing to illness, he has asked that the special order be canceled as of this date.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## PFC JACK MACNIDER, USMCR

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. BIEMILLER addressed the House. His remarks appear in the Appendix of today's RECORD.]

## LET'S BRING THE BOYS HOME

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I do not know anything about the case of the son of Gen. Hanford MacNider. But I do know Hanford MacNider. He was a brave and worthy soldier in the last war and has acquitted himself excellently well in this conflict.

However, if the Members would stop jumping on individual cases, and come up here and sign petition No. 9 on the Speaker's desk to bring out my bill to release from the service, at their own request, all men who have served 18 months or more, or who have dependents at home to look after, or who desire to return to school, you would be doing something that would make you welcome at home for Christmastime.

But if you keep on delaying, when you go home this time and the mothers, fathers, and wives of the men in the service confront you and you tell them you have done nothing to help get those boys out of the service, as Gov. Bob Taylor said about the defeated politician, you will come back here "with a hole in your vanity and your pride in a sling."

The SPEAKER. The time of the gentleman from Mississippi has expired.

## RELEASE OF SERVICEMEN

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I would like to say to the gentleman from Wisconsin that I have many requests from people in my district who have sons in the service and who are desirous of having them come home and go to school, many who want to get out on account of sickness, and wives who want the fathers home to help with the home. I agree that if the Members would sign the petitions which are on the Speaker's desk and we get legislation here that will get our boys out of the armed service at the earliest possible moment, it would be a mighty fine thing. The fathers and mothers, wives and families, could then rejoice in having their sons return and go to school and maintain their home life. We should not criticize some individual because he wants his son to go to college. That is inherent in the life of any man or woman. Every father, every mother, every wife, every child want their loved one to be with them at home. They do not want their boys over on some lonesome island doing nothing and worrying because he cannot come home. Remember, there is no place like home. They also want them to improve their minds. I think the more education we can give them and



the quicker we can let them out of the Army back into the schools, the better it will be for our Nation, for our families, for the peace and contentment of our country as a whole. This is vital to our national security at home and abroad.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

#### STATELESS PERSONS

Mrs. LUCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

[Mrs. LUCE addressed the House. Her remarks appear in the Appendix of today's RECORD.]

#### EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to revise and extend his remarks in the RECORD.

Mr. EATON asked and was given permission to extend his remarks in the RECORD by printing a short address given over the radio Sunday morning.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent addressed to the Congress.

#### DISCHARGE OF MEN FROM THE ARMED FORCES

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, without taking any part in the controversy over the release from service of General MacNider's son, which, in my opinion, was rank favoritism, I should like to give you a report which the Army has just sent to the members of the Military Affairs Committee, in which it shows that they released, since May 12—VE-day—3,634,000 men. I understand also that over 1,000,000 men have been released from the Navy. This is close to 5,000,000 men in about 6 months who have been released under the point system of discharge from the armed services.

It is easy enough to introduce a resolution asking that everyone who has blue eyes be allowed to discharge himself from the Army, or everyone who has served 1 year to come back from the Army, but the point system that has been devised by the War and Navy Departments is one of the most efficiently functioning discharge systems, operating as it does on an individual basis, that has ever been promulgated. For my part, although I would like to see all the boys home, I hope that no half-baked plan will be adopted by this House to change the present system. With 5,000,000 persons already discharged under the point system, it would be rank injustice to those already discharged, as well as those awaiting discharge by points, to change the rules in the middle of the game.

Such resolutions as that of the gentleman from Mississippi [Mr. RANKIN] seeks to change the rules in the middle of the game without regard to the effect it would have on the millions of boys and girls who are anxiously computing their points and awaiting their turn for discharge. Many of these members are overseas, having had combat experience, and with points above or near the present point level for discharge.

#### UNEMPLOYMENT OF RETURNED VETERANS BECAUSE OF STRIKES

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend by remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRANT of Indiana. Mr. Speaker, I desire to read for the benefit of the membership a telegram from Governor Gates, of Indiana, calling attention to a problem that probably is general throughout the country and which must be met.

The telegram reads as follows:

INDIANAPOLIS, IND., December 10, 1945.

Hon. ROBERT A. GRANT,

Member of Congress, Washington, D. C.:

A great many veterans who have taken employment since being discharged from the armed forces now find that their employment has ceased due to strikes that have been called in various plants. In most instances these veterans were not even members of the union. Under the present Federal law, these veterans cannot revert to their readjustment allowance of \$20 per week which had been paid to them prior to accepting employment. The unemployment-compensation division has asked for an opinion from the Attorney General of the United States on this vital question, but has received no answer. I desire that you try to get a ruling at once from the Attorney General of the United States as to whether these men can be placed again on the readjustment rolls. If not, then there should be emergency legislation at once, so that these men can draw the amount to which they would have been entitled had they not taken employment. This is vital, and affects hundreds of veterans in our State.

RALPH H. GATES,  
Governor of Indiana.

#### CALL OF THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 198]

Barrett, Pa.	Dingell	Hart
Barry	Dolliver	Hartley
Boren	Domengeaux	Healy
Bradley, Mich.	Douglas, Calif.	Hébert
Brehm	Doyle	Hinshaw
Brown, Ohio	Ellis	Hook
Byrne, N. Y.	Elsaesser	Horan
Carlson	Fogarty	Jackson
Combs	Forand	Johnson, Okla.
Crawford	Fuller	Kearney
Curley	Gardner	Keefe
Dawson	Gearhart	King
De Lacy	Gwinn, N. Y.	Larcade
Dickstein	Hand	Latham

Lewis  
McGlinchey  
Maloney  
Merrow  
Morgan  
Mundt  
Murphy  
Norton  
Pfeifer  
Ploeser  
Quinn, N. Y.

Randolph  
Rayfiel  
Reece, Tenn.  
Resa  
Rizley  
Robinson, Utah  
Roe, N. Y.  
Schwabe, Okla.  
Sheridan  
Somers, N. Y.  
Stevenson  
Taylor  
Tolan  
Vorys, Ohio  
Weiss  
White  
Winstead  
Winter  
Wolcott  
Wood

The SPEAKER. Three hundred and fifty-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### PROVIDING FOR MORE EFFICIENT DENTAL CARE FOR NAVAL PERSONNEL

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 417, Rept. No. 1357), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of S. 715, to provide more efficient dental care for the personnel of the United States Navy. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### THE RESCISSION BILL—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 4407) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

(For conference report and statement, see proceedings of the House of December 10, 1945.)

Mr. CANNON of Missouri. Mr. Speaker, I yield myself 30 minutes.

(Mr. CANNON of Missouri asked and was given permission to revise and extend his remarks.)

Mr. CANNON of Missouri. Mr. Speaker, the Committee on Appropriations this morning presents two conference reports. Both of them are complete agreements as to the two bills—the rescission bill and the UNRRA appropriation bill.

Taking up the first of these bills, the rescission bill, there was only one difference between the two Houses, and that related to the amount to be re-



scinded of funds available to the Army Air Corps.

The House originally proposed a rescission of \$12,166,313,000. The Senate reduced that amount by \$853,000,000, or to \$11,313,313,000.

Failing to agree on the matter at the first conference, the House, on December 3, adopted the recommendation of its conference committee to agree to \$367,000,000 of the \$853,000,000 which the Senate had proposed to restore.

The Senate rejected this proposal, but at the further conference, held yesterday, the Senate conferees agreed to accept the reduced amount, namely, \$367,000,000, giving up the difference of \$486,000,000. In other words, the amount of the rescission pertaining to the Air Corps becomes \$11,799,313,000, or \$367,000,000 less than the House originally approved.

This winds up perhaps one of the most difficult tasks with which the committee has had to deal in this session—in connection with one of the most remarkable hills ever reported and passed by the House of Representatives.

And now, Mr. Speaker, I regret to have to digress from the subject immediately under consideration. I regret still more to burden the House with a personal matter but it is a matter which I have no choice but to answer.

I have endeavored to get in touch with the gentleman from Louisiana [Mr. HÉBERT] in order to advise him that I would reply this morning to a statement relating to me which he made on the floor when I was not present. I phoned his office repeatedly but received no reply. I therefore raised the question of a quorum in order to secure his presence on the floor.

Mr. Speaker, early in the war a bill was passed in the House, by unanimous consent, providing for a set-up in the District of Columbia consisting of a director, a stenographer, and a statistical clerk, at an annual cost of something like \$17,000 per annum, to study the parking situation in Washington. In response to that legislation the Committee on Appropriations brought in an item providing the money; the money was appropriated; and the set-up operated for 1 year.

It is the testimony of the District of Columbia officials themselves, in the hearings before the committee last month, that nothing was accomplished in that year. The Committee on Appropriations has not recommended any further appropriations for the purpose and no appropriations have been made for the last 3 years.

Mr. Van Duzer, whose office is in charge of vehicles and traffic in the District of Columbia, is one of the best qualified and most experienced men in this field to be found anywhere. He has handled this problem as efficiently as it could have been handled by any such set-up as the one proposed costing \$17,000 a year, and which accomplished nothing during its 1 year of operation.

It has been said here on the floor that this set-up was provided to meet an emergency; however, the proposal before the committee and the House was to

provide a permanent agency consisting of a director, stenographer, and a statistical clerk to start with, to do what Mr. Van Duzer has been doing all these war years when the war emergency was at its peak.

The lack of need for such a permanent sinecure is shown by the fact that no Member of Congress and no private citizen has appeared before the committee asking for this appropriation since the set-up was abolished in 1942. There has been absolutely no demand for it.

In the hearings on the bill this year, no Member of Congress or anybody else appeared before the committee recommending the item. The hearings on the subject are confined to one brief page of the transcript, and the testimony was that the set-up had operated for 1 year, had accomplished nothing, that its duties would be to look after the installation of additional parking meters and additional parking lots, and that it would be a permanent agency for all time to come. This testimony is to be found on page 790 of the hearings, as follows:

#### MOTOR VEHICLE PARK. G AGENCY

Mr. CANNON. An additional \$5,000 is requested for a motor vehicle parking agency. How do you expect to use that \$5,000?

Colonel ARTHUR. That will be for a director, a stenographer, and statistical clerk.

Mr. CANNON. What staff do you have now?

Colonel ARTHUR. None.

Mr. CANNON. How is it operated?

Colonel ARTHUR. The agency was nonexistent during the war years. In 1942 Congress decided to eliminate the appropriation because of the war and the agency at that time went out of existence.

Mr. CANNON. What staff do you have there; none at all?

Colonel ARTHUR. No, sir; none at all. This is an agency which, by law, was created for the purpose of studying and trying to find a solution of the parking problem in Washington.

Mr. CANNON. What amount do you have for it in your 1947 budget?

Colonel ARTHUR. Approximately \$17,000.

Mr. CANNON. Is it to be a permanent agency or merely a temporary agency?

Colonel ARTHUR. It is a permanent agency which was created by Congress in 1942.

Mr. WIGGLESWORTH. You have some kind of a set-up now that attempts to regulate traffic and that sort of thing, have you not?

Colonel ARTHUR. That is the Department of Vehicles and Traffic of the District of Columbia government, but this is an act of Congress passed in 1942 creating a separate agency to handle only the parking problem as distinguished from the traffic problem.

Mr. WIGGLESWORTH. When was it set up?

Colonel ARTHUR. In 1942.

Mr. WIGGLESWORTH. Have you accomplished anything?

Colonel ARTHUR. No, sir; because funds were appropriated for only 1 year, and during the year nothing was accomplished because of the war, and following that first year Congress eliminated the appropriations to continue that agency in existence during the war, and this is to reactivate it, to try to find as soon as possible some solution to this parking problem in Washington.

Mr. WIGGLESWORTH. To recommend the building of garages or the setting aside of parking lots, or what?

Colonel ARTHUR. I do not know what they are going to recommend, but in all probability it would be a combination of street parking, the installation of additional parking

meters, and probably the purchase of additional parking lots.

Mr. WIGGLESWORTH. Is it proposed to be a permanent agency?

Colonel ARTHUR. It is a permanent agency established by act of Congress, three members of the agency to be District and Federal Government employees, and four members to be appointed from the citizens of Washington.

This is all the testimony offered and all the attention given the subject. No interest was shown by any citizen of Washington or any Member of Congress during the entire hearings on the bill extending over several weeks.

Moreover, there was little interest on the floor when the amendment was offered. Only 15 minutes' debate was asked outside of the committee, and part of that was devoted to an entirely different subject. In brief, the proposed appropriation had such little justification that no one appeared before the committee in its behalf in more than 3 years, and it was rejected unanimously by the subcommittee and was not so much as mentioned in the whole committee. And when the amendment was offered on the floor only 17 Members voted in favor of it.

During the debate, however, the gentleman from Louisiana [Mr. HÉBERT] in response to a statement which I made in justification of the committee's position in rejecting the appropriation, said:

I do not think that is a true statement.

I did not hear the gentleman's remark at the time it was made. He was not near the microphone, and there was the usual confusion on the floor, and his remark completely escaped me. I did not know anything about it until I read the transcript about 11 o'clock that night. It was then too late to get in touch with him, so I held it out as I took for granted that he had not seen the transcript and would not want it to go into the RECORD in that form. I withheld it merely to be submitted to him for correction on the following day.

The next day, as a member of the conference committee, appointed by the Speaker to meet with the Senate conferees on the rescission bill, I was in conference on the Senate side with the Senate conferees all morning and past the noon hour. In my absence the gentleman from Louisiana [Mr. HÉBERT] made the following statement on the floor:

Mr. HÉBERT. Mr. Speaker, yesterday during the consideration of the appropriation bill the gentleman from Missouri and I engaged in a colloquy over a certain item in that bill, during which he made inaccurate statements, with which I took issue. Upon reading the RECORD today you will find the entire colloquy has been deleted. As far as this House and the public is concerned, it just did not happen.

I recognize the gentleman from Missouri as being a colossus of parliamentary maneuver and procedure. He wrote the book. I also recognize the fact that the gentleman from Missouri in this instance has adroitly and again in typical manner clothed himself with the mantle of parliamentary protection. But I want to say here and now that I am going to watch, and watch very eagerly, to see whether or not that colloquy is put back in the Appendix of the RECORD where it is supposed to be put, because I serve notice on him and on anybody else that I do not need anybody to take my re-



marks out of the RECORD, nor do I need anybody to correct them. I think this practice of deleting another Member's remarks without his consent or permission is something which should be stopped immediately. Let the gentleman from Missouri dare attempt to cross out a single letter or strike a single word from what I have just said. I put him on guard against any such transgression of my privileged field. He may have the power of knowledge of all the rules, regulations, circumventions, short cuts, curves, and manipulations of parliamentary conduct, but he does not have the power to stay my own voice and my own expression. That power belongs to me, and me alone, and I intend to keep it without his aid or assistance.

Perhaps the incident is unimportant, but the principle involved is of the utmost importance. The RECORD should reflect only what takes place on this floor and not what some Member would like for it to reflect in his favor.

Yes; let us keep the RECORD straight.

Again, I did not know anything about this statement until after the House had adjourned. It was not called to my attention by either the gentleman from Louisiana [Mr. HÉBERT] or anybody else.

Mr. Speaker, here is the situation. I did not at any time or in any way violate any rule or practice of the House, either written or unwritten. The procedure followed is the procedure followed every day in withholding remarks for revision, a procedure fully warranted by the rules and practice of the House.

On the contrary, the gentleman from Louisiana [Mr. HÉBERT] violated both the written and unwritten law of the House as well as the rules of fair play and good sportsmanship. His statement on the floor impugning my veracity was unparliamentary. His failure to modify it in the correction of his remarks made his intention unmistakable.

Mr. ROBSION of Kentucky. I wonder if the gentleman put his remarks in and left out the other gentleman's remarks. That did not occur, did it?

Mr. CANNON of Missouri. It did not. Beginning from the point where he made the statement, I omitted his remarks and the rest of my remarks also, because I thought, naturally, that he would not want to put the statement in the RECORD in that form. We frequently make statements on the floor and later, when we read the transcript, desire to put them in more parliamentary form. Statements made under stress of debate frequently read differently when reduced to print from what we had intended them to mean at the time they were spoken.

The gentleman from Louisiana [Mr. HÉBERT] evinced no interest in this item during the time it was under consideration in the committee. He did not appear at the hearings in behalf of the appropriation. He did not mention it to any member of the committee, so far as I am aware. At least his interest was never called to my attention.

When the bill came up on the House—one of the most important bills of the session—he did not discuss any of the vital provisions of the proposed legislation. He confined his attention to this one minor item. As the gentleman from Washington [Mr. COFFEE] said at the time, in offering the amendment, it

was a matter of relative unimportance. Yet, when the Member in charge of the bill responded for the committee, in a matter in which he had no personal interest to serve, the gentleman from Louisiana [Mr. HÉBERT] exploded in a torrent of abuse. He did not debate the merits of the proposition, he merely took refuge in calling names.

As everyone knows, it is always the custom in attacking a Member of the House on the floor to notify the Member attacked in advance. The gentleman from Louisiana [Mr. HÉBERT] gave no such notice. He knew I was absent in conference. In my absence he made this vicious attack without notice or affording an opportunity for reply.

Furthermore, he was not content with his tirade on the floor, but he doctored the RECORD. None of the remarks in the above quotation from the RECORD after the sentence beginning "Let the gentleman from Missouri dare attempt to cross out a single letter or strike a single word" were actually uttered on the floor. That sentence itself was not uttered on the floor. After the gentleman's remarks were returned to him by the reporters he took his pencil and wrote in all that follows. He did not say it on the floor even in my absence.

The gentleman from Louisiana [Mr. HÉBERT] says in the remarks above:

The RECORD should reflect only what takes place on this floor and not what some Member would like for it to reflect in his favor.

And then the gentleman immediately proceeds, deliberately, to write in with his pencil what did not take place on the floor and what he desires the RECORD to reflect in his favor.

The gentleman had no special permission to revise or extend his remarks in the RECORD. But even if he had asked and secured permission, his remarks would have been in violation of the rules of the House, as shown on pages 316 and 319 of Procedure in the House of Representatives, as follows:

For purposes of revision. Members may withhold reporters' notes on speeches delivered in the House, even though such notes include colloquy with other Members, and have 30 days in which to correct and return to reporters not withstanding objections of others participating in colloquy.

And in the same connection:

Under leave to print, a Member may not insert matter which would be out of order if uttered on the floor.

Citation — Hinds' Precedents — volumes 7004, 7005, 7008.

Under leave to print, a Member may not criticize Members of either House or insert matter in any way reflecting on their honor, dignity, or good faith.

Citation—Cannon's Precedents—VIII, 2513, 2519.

The scurrilous charge that a Member, any Member, would attempt, or propose to attempt, to unwarrantedly change controversial matter, is not permissible in an extension of remarks, even when permission is specifically secured for the extension—which was not secured in this case.

Far be it from me to desire to "stay," as the gentleman said, the gentleman's "own voice" under such circumstances.

Now, Mr. Speaker, I am not greatly

concerned about this particular infraction of the rules. It is, of itself, a minor incident. But, Mr. Speaker, I am deeply concerned over the attacks being constantly made upon Members of the Committee on Appropriations, both on and off the floor, because of their attitude on applications made by Members of the House for funds from the Public Treasury. Someone—someone—must make some slight effort to protect the Treasury. One of the official agencies provided for that purpose under the rules is the Committee on Appropriations.

It may be said, in view of the proceedings here from year to year, that unless that committee protects the national funds, they will not be protected. Continuously, every day, almost every hour, attempts are made to secure funds from the Federal Treasury which should not be paid out. Interests and organizations all over the country are paying large salaries and maintaining extensive lobbies here in Washington, for the sole purpose of diverting money from the public revenues to their private and personal interests.

Of course, it is pertinent to inquire whether this committee or any member of this committee is always justified in interpreting the motives and purposes of these applications for public funds. But members of the Subcommittee on Deficiencies, which handled this bill, have been here for a long time—some of them for many years. In that time they have grown rather adept at spotting the wolf who approaches the door of the Treasury asking for hand-outs under the guise of public benefactions. The members of the Committee on Appropriations have nothing to gain by opposing appropriations. We would rather go along with our colleagues.

But, Mr. Speaker, if all the applications for appropriations made in one year alone were granted, the Nation would be bankrupt at the end of that year. That is a solemn and factual statement. Somebody, sometime, somewhere, must screen these applications for money. The United States Treasury, bottomless as some may consider it, would not supply a fraction of the appropriations asked for in Congress in any one year. But opposition to unwarranted expenditures is a thankless task, and I have been surprised to the point of astonishment, even in the last few weeks, when men with whom I have been happily associated here in the House for many years, have called me sharply on the telephone, have stopped me on the floor with furious accusations, merely because the committee has denied some appropriation they wanted for their constituents or their friends. The duties of a member of the Committee on Appropriations are arduous. It completely monopolizes a member's time, if he attends to his job. He has little time left either for his personal affairs or for his district. These committees meet continuously for weeks. When these last three bills were under consideration in the House I did not leave my office any day, either weekdays or Sundays, until after midnight. But, having accepted membership on the committee, I have consistently opposed every appro-



priation the committee voted to oppose, and I shall continue to do that, although I think that the men here in the House must realize that it is a poignant experience to have to lose friend after friend, simply because we cannot go along with them in securing the appropriations they think they ought to have. They make personal matters of failure to report their appropriations when there can be nothing personal about it.

We come in here reluctantly to deny appropriations, and disappointed colleagues take the matter up as if we had offered them a personal affront. I trust that the majority of this House—and the Members of the House are fair, taken as a whole—will deal with our many shortcomings in that respect as charitably as possible. Our desire is to go along with the Members of the House on every appropriation we can possibly approve. If we make any mistakes, it is because we have approved more appropriations than we have denied.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. STEFAN. The chairman of the Committee on Appropriations stated in his statement regarding the \$5,000 item to implement the parking program in Washington that every member of the subcommittee voted against that appropriation. The gentleman meant the Subcommittee on Deficiency and not the Subcommittee on Appropriations for the District of Columbia?

Mr. CANNON of Missouri. Yes; the subcommittee in charge of the bill. When this matter came before us every member of the subcommittee, and they are the older members of the Committee on Appropriations, voted against it. It is not the decision of any one man but the decision of the entire subcommittee.

Mr. STEFAN. The gentleman stated further that no one appeared before your committee in favor of this appropriation.

Mr. CANNON of Missouri. That is true.

Mr. STEFAN. Did the gentleman call anyone before that subcommittee?

Mr. CANNON of Missouri. No; the committee never calls anyone before it except the representatives of the Department. But it always invites, and it always welcomes, and it always hears any Member of Congress or anyone outside of Congress who desires to be heard on any item or estimate before the committee. Many Members and many others appeared before the subcommittee in behalf of other items in this bill.

Mr. STEFAN. Mr. Speaker, will the gentleman yield further?

Mr. CANNON of Missouri. I am glad to yield to the gentleman from Nebraska.

Mr. STEFAN. I should like to call the attention of the distinguished chairman of the Appropriations Committee to the fact that the Subcommittee on District of Columbia appropriations, of which I am the ranking minority member, is very much in favor of an appropriation for the creation of an agency which would take care of the automobile parking situation in the District of Columbia. I supported

the amendment offered by the gentleman from Washington [Mr. COFFEE]. I have felt that after the war we should appropriate money to implement that agency. I therefore want to be on record in favor of that item. I hope some agency to take care of this parking emergency, which is very serious in the District, will be set up.

Mr. CANNON of Missouri. The gentleman from Nebraska is one of the most valuable Members on the Committee on Appropriations. It has been my pleasure and my privilege to cooperate with him many times on many important appropriations. I am sorry he finds himself in such a small minority on this occasion.

As has been said, the subcommittee voted unanimously against this proposition. When it came up in the whole committee no one mentioned it, including the gentleman from Nebraska who was present. When it came on the floor only 17 Members voted in favor of it.

We are making provision for the problem which he mentions. We have one of the best qualified men who can be secured. Mr. Van Duzer is doing everything that can be done. The appointment of another man with an office and assistants at \$17,000 per annum, to install additional parking meters and secure additional parking lots permanently and perpetually, would not further its solution.

But the merits of this particular item are of secondary importance in this discussion. The gentleman from Louisiana [Mr. HÉBERT] did not debate the merits of it. He simply rose and proceeded to abuse the Member in charge of the bill. And later on he continued that abuse in the absence of the Member without giving notice. That is the specific matter I am discussing at this time.

I now yield to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. I do not know what the facts are concerning the gentleman's colloquy with the gentleman from Louisiana [Mr. HÉBERT]. I assume the gentleman from Missouri is stating a fact and I do not want to get into that; but when the gentleman referred to his not having deleted the remarks of the gentleman from Louisiana [Mr. HÉBERT] or any other Member, that is where I come in.

Mr. CANNON of Missouri. I have not made any such statement.

Mr. BENDER. Then I beg the gentleman's pardon, because I followed the gentleman from Louisiana [Mr. HÉBERT] shortly after he had spoken on the floor of the House and I offer testimony that the gentleman did delete my remarks that I had made on the floor in colloquy with the gentleman. I have nothing personal against the gentleman, I respect the gentleman, and I think the gentleman is doing a good job as chairman of this committee; but the fact of the matter is that my remarks were deleted. I later consulted the stenographer who took the remarks and I have the remarks that I had made and that were deleted from the RECORD.

Mr. CANNON of Missouri. Yes; the newspapers carried it. The gentleman I suppose gave it to the newspapers, but

the gentleman's remarks were deleted under the rules of this House.

Mr. BENDER. The newspapers were here at the time I made the remarks and they carried them the day the remarks were made.

Mr. CANNON of Missouri. Yes; they were quoted verbatim, and I never knew the newspapers to quote verbatim without they got the quotation from the Member.

Mr. BENDER. The remarks I had made on the floor were quoted by the newspapers the following day.

Mr. CANNON of Missouri. Yes; they evidently had the gentleman's transcript because I never knew them to take verbatim notes. They must have been furnished by the gentleman from his own notes.

Mr. BENDER. I have made my statement; they were deleted by the gentleman from Missouri.

Mr. CANNON of Missouri. They were deleted under the rules of the House. The gentleman rose and said he wanted to ask a question. Then he proceeded to make a stump speech.

Mr. BENDER. But the gentleman yielded to me.

Mr. CANNON of Missouri. I yielded to the gentleman to ask a question; not to make a speech.

Mr. BENDER. The gentleman is making stump speeches all the time. If we make stump speeches here it is all right with me and as far as I am concerned a rebuke from the gentleman from Missouri is a caress.

Mr. CANNON of Missouri. The gentleman interrupted me to ask a question. I yielded to him to ask a question. Instead he made a speech. I said I yielded to him for a question and under the rules of the House I properly deleted it. In my long experience with the gentleman from Ohio he has never interrupted me except for the purpose of partisan criticism.

Mr. BENDER. Begging the gentleman's pardon for interrupting him, when the gentleman yields to me, irrespective of what the question is, as a Member of the House I am entitled to have my remarks in the RECORD. If I want to delete them I want the privilege of deleting them. It is not the gentleman's prerogative to delete my remarks when he yielded to me.

Mr. CANNON of Missouri. I did not yield to him for the remarks he made. I yielded to him for a question. I told him at the time if he wanted to make a speech he could secure recognition to make it in his own time.

Mr. BENDER. I beg the gentleman's pardon again. No such comment was made.

Mr. CANNON of Missouri. The comment was made.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Speaker, when the gentleman was discussing the flood-control provision of the bill I asked several questions about the Federal responsibility in the matter of the construction of flood-control dams



and the gentleman from Missouri answered all the questions, but later I found that they were not in the RECORD. Will the gentleman tell me why they were not in the RECORD?

Mr. CANNON of Missouri. I do not recall the occasion.

Mr. JOHNSON of California. I did not make any comments. I only asked questions and the gentleman gave the answers.

Mr. CANNON of Missouri. I will be glad if the gentleman will notify my office in connection with what bill and at what time they were made.

Mr. JOHNSON of California. That was the last bill we had up here for consideration.

Mr. CANNON of Missouri. Mr. Speaker, in conclusion, let me say that legitimate criticism of the Committee on Appropriations is highly desirable. But abuse and vindictive resentment over the failure of the committee to approve appropriations desired is not only an imposition on members who are making a feeble attempt to discharge a duty wished off on them by the House, but is calculated to have a far-reaching effect of serious import to the Nation. If the House does not support the committee, if you continue to kick around the members of the committee and abuse them here on the floor and off the floor because they oppose questionable appropriations, we are going eventually to begin to dodge and flinch. We are, unconsciously perhaps, going to begin to slight the task.

And let me say there was never a more inopportune time to discourage economy.

There was never a time when the importance of the denial of unnecessary appropriations was so great as it is today. If we hope to balance the Budget, if we are to begin to pay off the national debt, if we are to maintain the integrity of the credit of the United States, if we are to protect the Government bonds which are in the hands of every citizen of the United States, we must begin to deny some of the appropriations asked on this floor.

We earnestly appeal to you, to protect the committee when it finds itself in a position where it must deny appropriations. At least give the committee the benefit of the doubt when it submits a unanimous report—or abolish the committee.

Mr. Speaker, I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, may I say that these two conference reports are so innocuous from the standpoint of the House, and the differences between the House and the Senate having been resolved in a way that it is not injurious to the public Treasury, to such an extent that I have been able to sign both reports, I therefore feel that they should be supported.

Mr. CANNON of Missouri. Mr. Speaker, unless somebody else desires to be heard, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the joint resolution (H. J. Res. 266) United Nations Relief and Rehabilitation Administration participation bill, 1946, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 10, 1945.)

Mr. CANNON of Missouri. Mr. Speaker, this resolution, as the conferees have shaped it, is not widely dissimilar from the resolution as it passed this body on November 1, 1945. The amount of money is the same—\$550,000,000. That amount exhausts existing authority to appropriate. No further appropriation for the purpose can be made until the bill which passed this House recently and which is now in the Senate passes the Senate and becomes a law. In other words, we have appropriated every dollar that can be appropriated under the authorization.

The House attached a number of conditions to the resolution, all of which the Senate eliminated. One requires the utilization to the extent possible and practicable of domestic agricultural commodities determined by the Secretary of Agriculture to be in surplus. The Senate struck out that provision and the House conferees have yielded, because it is pretty much a case of locking the barn door too late. The money has already been spent.

The remaining provisions, four in number, we have restored to the bill, phrased as are their counterparts in H. R. 4649, the new UNRRA authorization bill, which passed the House on December 6, 5 days ago.

Briefly, these four provisions deal with—

First. Information as to international trade of recipient countries.

Second. Enablement of UNRRA personnel by recipient countries to carry out the objectives of the United Nations Relief and Rehabilitation Administration agreement.

Third. Retention of title to motor-transport equipment, the routing of such equipment, and direction of the use of fuel and lubricants supplied by UNRRA.

Fourth. Opening of doors by recipient countries to representatives of press and radio of the United States with respect to UNRRA activities.

There are two essential differences between the original and substitute provisions:

One is that observance is not made a condition precedent to the availability of the appropriation. Effectiveness is made to rest upon the success of efforts to be made by the United States member of the control committee of the United Nations Relief and Rehabilitation Administration.

The other has reference to our press and radio representatives. The provision now proposed reads:

That the President is hereby requested, through appropriate channels, to facilitate the admission to recipient countries of properly accredited members of the American press and radio in order that they be permitted to report without censorship on the utilization and distribution of United Nations Relief and Rehabilitation Administration supplies and services.

That expresses the latest recorded judgment of the House on the matter, as do, in fact, all of the substitute provisions.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I take this time for the purpose of clarifying the situation with reference to UNRRA, because I am not satisfied in my own mind that when the new legislative authorization has come to an end and the money has been appropriated and has been expended that is necessarily the end of UNRRA. So I think it is incumbent on us to know precisely what we are doing by this permissive language.

In the first place, we have here substituted permissive language for the mandatory language we adopted heretofore in connection with the \$550,000,000; in other words, none of the \$550,000,000 could be expended until certain conditions were complied with by the UNRRA organization. The language that is carried here now is, of course, entirely permissive.

But let us not forget that in the first place this language constitutes a recommendation by the Congress. I think it is a solemn recommendation, and I apprehend that the UNRRA representative on the control commission will have due regard for that recommendation.

Secondly, that recommendation requests that the UNRRA representative by whatever means at hand make certain representations to the recipients of UNRRA relief, to attain certain objectives, and those recommendations are four in number:

First, information with respect to agreements; second, with respect to safe conduct so that the operation of the distribution of relief can be examined and investigated and a report made; third, with reference to the title to motor vehicles; and finally, the admission of press representatives to the recipient countries.

This is a recommendation to our representative on the UNRRA Control Council. We are asking him to request that these objectives be attained if possible. I fancy that in due time there will be a report, and there should be a report, as to whether or not those objectives have been attained.

There is a little more here than meets the eye. Let us assume a condition in some of these distressed countries similar to that which happened in the last crop year. Some countries in the Old World had a drought condition which was probably the most aggravated in 100 years. We are gambling now upon a crop. We are gambling upon the fact

Dec.

28.





20. FOREIGN RELIEF. Rep. Luce, Conn., inserted letters and dispatches urging continued appropriations for UNRRA (pp. A 6167-9).

BILLS ACTED UPON BY THE PRESIDENT

21. PERSONNEL. S. 405, to amend the Civil Service Retirement Act so as to provide that an employee may elect to receive full credit for his military service toward retirement. Approved Dec. 21 (Public Law 205, 79th Cong.).
22. FORESTRY. H. R. 608, to exclude certain lands in Deschutes National Forest from the provisions of R.S. 2319-37 so as to provide recreational areas. Approved Dec. 21 (Public Law 207, 79th Cong.).
23. RESCISSION BILL. H. R. 4407, the appropriation-rescission bill. The President announced that he is pocket vetoing this bill because of the provision returning USES to the States, but that he is requesting the Budget Bureau to set up reserves on items covered by the bill. (For items see Digest 119.)

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For supplemental information and copies of legislative material referred to call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.





HOLD FOR RELEASE

HOLD FOR RELEASE

HOLD FOR RELEASE

December 22, 1945

CONFIDENTIAL: The following statement by the President MUST BE HELD IN CONFIDENCE until released.

NOTE: Release to MORNING NEWSPAPERS of Monday, December 24, 1945.

Release to radio announcers and news broadcasters NOT EARLIER THAN 8:00 P.M., E.S.T., Sunday night, December 23, 1945.

CHARLES G. ROSS  
Secretary to the President

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MEMORANDUM OF DISAPPROVAL

I am withholding my approval of H. R. 4407, "Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes."

It is with sincere regret that I am unable to approve this legislation. In response to my communication of September 5, 1945, and in conformity with their own careful plans, the Appropriations Committees of the House and of the Senate held extended hearings and gave mature consideration to the readjustment of Executive programs and finances to the problems of the reconversion period. The Congress has acted expeditiously and considerately to develop the basis for the continuing peacetime operations of the Government. It has demonstrated a fine spirit of economy in reducing appropriations without complicating the delicate adjustment from wartime to peacetime functions, and without sacrificing the basic progress which has been made during the war years in the long-term development of Government activity.

So far as the basic purpose of this bill rescinding appropriations is concerned, I am in thorough agreement with the action of the Congress. Far from wishing to sacrifice the care and effort which have gone into its development, I shall by Executive action preserve the full values of these rescission provisions in the exact terms which the Congress itself has approved. If these provisions stood alone I should gladly approve the bill. I have asked the Director of the Bureau of the Budget to place these rescission amounts in a reserve, non-expendable status, and so to advise the departments and agencies concerned.

In addition to its effect on appropriations, however, the bill contains provisions which require our system of public employment offices -- now unified in a single national system -- to be broken up within 100 days, and transferred to operation as 51 separate State and territorial systems.

While I believe such a transfer should be made at the proper time, I am convinced that this bill requires that it be made at the wrong time, and in the wrong way. Such a dispersion and transfer at this time would immeasurably retard our reemployment program. And as the basis for Federal-State cooperation, in a fundamental program of national importance, the provisions of the bill dealing with the public employment offices are unsound and unwise from any point of view.

So far as the timing of the transfer is concerned, the period designated by this bill -- the next 100 days -- is the most disadvantageous that could have been chosen. It will result in a disrupted and inefficient employment service at the very time when efficient operation is most vitally needed by veterans, workers, and employers.

(OVER)



Our local public employment offices are now and will be during the next several months, in the midst of the peak work load in their history. This is because the offices are now engaged in counseling and placing millions of applicants who require individualized service. These applicants include able-bodied veterans seeking assistance in their readjustment to civilian life, handicapped veterans requiring even more time and guidance in finding the jobs most suitable for them, and unemployed war workers who are confronted by difficult readjustments because of substantial reductions in job opportunities at their wartime skills and wage rates.

At such a time, any change in management and direction is necessarily disruptive to the service. A change which would replace our present single and unified management by 51 separate managements would be very harmful. Even with every effort by the States to promote a smooth transition, the transfer of some 23,000 employees to new conditions of employment, and the adjustment of operations to the requirements of 51 different State agencies, will inevitably cause confusion and delay.

In my reconversion message of September 6 to the Congress, I pointed out our national responsibilities and problems in connection with reemployment during the reconversion period. During this period, displaced war workers, and the veterans who are returning to civilian life at the rate of more than a million per month, will need and have a right to expect from their national government an effective job-counseling and placement service. These problems and responsibilities cannot, in a period when millions of veterans and other workers are moving across State lines, be met adequately through 51 separate and independent public employment service systems, linked only by the necessarily remote and indirect influence of a Federal agency financing the State systems through grants-in-aid.

For these reasons, I now repeat my recommendation that the transfer of our public employment offices to State operation be postponed until June 1947. The Administration is committed to returning the service to State operation, and that commitment will be carried through. But this is not the time.

Apart from the timing of the transfer, the provisions of H.R. 4407 which govern the basis for Federal-State cooperation in the maintenance of public employment offices do not assure that an adequate service will be available in all States.

The bill provides for the operation of public employment offices by the States under rules and regulations prescribed by the Secretary of Labor to carry out the provisions of the Wagner-Peyser Act. Operating costs would be met entirely by the Federal Government. These provisions of the bill would remain in effect for only a few months--the balance of the current fiscal year.

The bill precludes the granting of funds to any State which is unable, or unwilling, to comply with the provisions of the bill or any requirement of the Secretary of Labor pursuant to the provisions of the bill.

A Federal-State cooperative program for a national system of public employment offices financed entirely by Federal funds must at least provide assurance as to two basic objectives: The Federal Government must be sure that the essential services are being provided through the States' employment offices, and it must know that the offices are being operated with reasonable efficiency. Under such a program, the Federal Government is not interested in prescribing minute or insignificant details concerning the State operation, but it does have a stake in the preservation of reasonable standards.



H. R. 4407 provides no effective protection for this national interest. If any State, for any reason, cannot or does not meet the minimum requirements, Federal grants cannot be made. But at the same time the Federal Government itself is precluded from continuing the operation of public employment office facilities in the State.

This means, in effect, that when there is a substantial failure to provide essential services or to meet minimum standards of efficiency, the Federal Government must choose between two alternatives which are both unsatisfactory. It must either acquiesce in the substandard operation--or, by withholding funds, it must deprive all of the State's employers, workers, and veterans of a service they need and to which they are entitled.

At a time of such acute emergency--when employment offices are needed to provide veterans with the services with which the Congress has required they be provided, and needed also to assist other unemployed workers in securing peacetime jobs--I cannot approve legislation which, under some conditions, may offer only a choice between a substantially substandard service or no service at all.

It seems clear to me that a matter of such grave importance as our public employment system deserves not only permanent legislation, but legislation carefully and separately considered. Issues of such a difficult and vital nature should not be dealt with as riders to appropriation bills.

The fact is that our present legislation governing the operation of our cooperative Federal-State employment service system, enacted in 1933, needs thorough revision in the light of changed conditions. Several bills now pending before both Houses of the Congress -- H.R. 4457, S. 1456, and S. 1510 -- are designed to accomplish this. Enactment of such permanent legislation is essential before a transfer back to State operation can be achieved in an efficient and orderly manner.

Adequate and uniform standards of service must be maintained and proper security for the personnel of the organization itself must be provided in a permanent way, if it is to keep and attract the calibre of personnel able and eager to perform its important tasks.

Only in this way can we provide a sound and permanent basis for Federal-State cooperation in the maintenance of a postwar system of public employment offices which will meet the needs of veterans, employers, workers, and the nation as a whole.

While I object to the specific measure which this bill proposes to carry out with respect to our employment service, I object even more strongly to the legislative method employed for its enactment. To attach a legislative rider to an appropriation bill restricts the President's exercise of his functions and is contrary to good government.

In view of my past legislative experience, I realize the obligations of the President to the Congress as a coordinate branch of the Government. At the same time, I must be equally aware of the Constitutional responsibility of the President to the people, and of the obligation of the Congress to help him discharge that responsibility.

The Constitution has placed upon the President the duty of considering bills for approval or disapproval. It has always been possible for the Congress to hamper the President's exercise of this duty by combining so many subjects into a single bill that he can not disapprove an objectionable item without holding up necessary legislation.

Partly in order to prevent this practice, it has long been considered a fundamental principle that legislation on a major issue of policy ought not be combined with an appropriation measure. The present bill directly violates that principle. I am obliged to withhold my approval to some very excellent legislation because of the objectionable practice which has been followed by attaching this rider which I cannot possibly approve.

HARRY S. TRUMAN

THE WHITE HOUSE,

December 22, 1945

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DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued January 18, 1946, for actions of Thursday, January 17, 1946)

(For staff of the Department only)

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HIGHLIGHTS: During discussion of S.C. Legislature resolution opposing cotton-price ceilings, Sen. Eastland urged transfer of OPA powers to permanent departments. Rep. Jenkins urged higher meat prices as basis for settlement of meat-packers' strike. House received from this Department proposed legislation to authorize payment of subsidies on 1946 crops. Rep. Cannon, Mo., re-introduced appropriation-recession bill. Senate voted, 49-17, to take up FEPC bill.

HOUSE

1. MEAT SITUATION; PRICES; LABOR. Rep. Jenkins, Ohio, urged that OPA and this Department take action to increase meat prices to effect a settlement of the meat-packers' strike and discussed increased prices of fish, fruits and vegetables, dairy products, and meat (pp. 100-1).  
Rep. Slaughter, Mo., in discussing the strike situation opposed increased meat prices (pp. 108-11).
2. SUBSIDIES. Both Houses received from this Department a proposed joint resolution to extend the authorization to pay subsidies to include commodities of the 1946 crop. To Banking and Currency Committees. (pp. 67, 117.)
3. ANNUAL REPORTS. Both Houses received from this Department the annual reports of the Federal Surplus Commodities Corporation and of the cooperative agricultural extension work for the fiscal year 1945; from the Federal Security agency, the annual report of the Food and Drug Administration for the fiscal year 1945; and from the Surplus Property Administrator, the report on synthetic rubber plants and facilities. (pp. 67, 68, 117).
4. COTTON PRICES. Rep. Cox, Ga., announced a meeting for 10:30 a.m. today (Jan. 18) of House and Senate Members from the cotton area to discuss cotton ceiling prices (p. 101).
5. SURPLUS PROPERTY. Rep. Clason, Mass., inserted an SWPC letter criticizing failure to give veterans preference in purchase of surplus trucks (pp. 102-3).

6. COTTON PRICES. Sen. Maybank, S.C., inserted a S.C. Legislature resolution opposing cotton-price ceilings. In the discussion that followed, Sen. Eastland, Miss., stated, "The powers of the OPA should be transferred to the Department of Agriculture and other permanent Government agencies" (pp. 69-71).
7. APPROPRIATION RESCISSIONS. Received from the President proposed rescissions for war-related appropriations and contract authorizations. To Appropriations Committee. (p. 66.)
8. F.E.P.C. Voted, 49-17, to consider S. 101, the FEPC bill (pp. 85-98).
9. REPORTS. Received from this Department annual reports on agricultural experiment stations, regional research laboratories, REA, operations under Soil Conservation and Domestic Allotment Act, payments of \$1,000 or more under ACP program; and forest roads and trails; from the Budget Bureau, quarterly report on personnel ceilings; from the CS Commission, annual report on Ramspeck promotion and from the War Department, annual report of National Forest Reservation Commission (S.Doc.134). (pp. 67-8.)
10. PRESIDENT'S MESSAGE. Majority Leader Barkley announced that "The President advises that he hopes to communicate with the Congress about next Monday" (p.65).
11. SOIL CONSERVATION. Sen. Eastland, Miss., inserted a Soil Conservation District Commissioner's (Miss.) resolution favoring release of farm machinery for soil conservation in Miss. (p. 72).
12. MISSOURI VALLEY AUTHORITY. Agreed to Sen. Thomas' (Okla.) request that the Agriculture and Forestry Committee be given additional time to consider S. 555, the MVA bill (pp. 79-80).

#### BILLS INTRODUCED

13. SURPLUS PROPERTY; HOUSING; VETERANS. S. J. Res. 131, by Sen. Fulbright (Ark.) and S. J. Res. 132, by Sen. Hill (Ala.), clarifying the Surplus Property Act in regard to sale of defense housing for veterans. To Military Affairs Committees. (p. 75.)
14. MILITARY TRAINING. S. 1749, by Sen. Johnson, Colo., to provide for the national defense and security by requiring that all qualified young men perform a period of training and service in the U.S. armed forces. To Military Affairs Committee. Remarks of author (pp. 73, 77-8.)
15. BANKING AND CURRENCY. S. 1752, by Sen. Langer, N. Dak., to increase the insurance protection of depositors in federally insured banks from \$5,000 to \$15,000. To Banking and Currency Committee. (p. 75.)
16. APPROPRIATION RESCISSIONS. H. R. 5158, by Rep. Cannon, Mo., reducing certain appropriations and contract authorizations available for the fiscal year 1946. To Appropriations Committee. (p. 117.)
17. PUBLIC LANDS. H. R. 5161, by Rep. Peterson, Fla., to authorize certain administrative expenditures incident to the conservation of the public lands. To Public Lands Committee. (p. 117.)
18. SURPLUS PROPERTY. H. R. 5164, by Rep. Manasco, Ala., to amend the Surplus Property Act to designate the State Department as the disposal agency for surplus



79<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5158

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 1946

Mr. CANNON of Missouri introduced the following bill; which was referred to the Committee on Appropriations

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## A BILL

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the appropriations and contractual authorizations of  
4       the departments and agencies available in the fiscal year  
5       1946, and prior year unreverted appropriations, are hereby  
6       reduced in the sums hereinafter set forth, such sums to be  
7       carried to the surplus fund and covered into the Treasury  
8       immediately upon the approval of this Act:



1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$3,884,400, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from “\$234,-  
10 000” to “\$180,000”, (2) reimbursement to employees  
11 for emergency or extraordinary expenses from “\$75,-  
12 000” to “\$47,500”, and (3) expenses of a confi-  
13 dential character from “\$1,200,000” to “\$100,000”.

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from “\$452,500” to “\$150,000”,  
21 (2) printing and binding from “\$47,500” to “\$14,000”  
22 (of which the amount available outside continental  
23 United States is decreased from “\$1,800” to “\$500”),  
24 and (3) penalty mail costs from “\$118,900” to  
25 “\$53,000”.

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from “\$2,250” to “\$1,500”, (2) traveling expenses from “\$4,500” to “\$4,000”, and (3) printing and binding from “\$2,000” to “\$1,600”.

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows:

(1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from “\$45,800” to “\$28,750”, (2) travel within continental United States from “\$267,500” to “\$237,500”, (3) printing and binding within continental United States from “\$1,000,000” to “\$587,500”, and (4) to meet emergencies of a confidential character from “\$250,000” to “\$47,500”.

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),

1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3       Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6       Migration of workers, \$479,000.

7       War Production Board:

8       Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      Travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to "\$105,-  
12      000", (3) printing and binding from "\$648,000" to  
13      "\$346,000", and (4) salary of the head of the agency  
14      from "\$15,000" to "\$12,000", except that so long as  
15      the position is held by the present incumbent the salary  
16      shall remain at \$15,000.

17      War Shipping Administration:

18          Revolving fund, \$195,452,000.

19          Maritime training fund, \$25,000,000.

20          Marine and war risk insurance fund, revolving fund,  
21          \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24          Salaries and expenses, \$25,929,000, and limitations



under this head are hereby decreased as follows: (1) Printing and binding from “\$1,470,000” to “\$961,064”, (2) traveling expenses from “\$7,949,700” to “\$6,780,000”, and (3) penalty mail costs from “\$5,210,550” to “\$3,085,000”.

Office of Strategic Services:

Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from “\$10,500,000” to “\$3,000,000”, and (2) expenditures for objects of a confidential nature from “\$10,000,000” to “\$2,750,000”.

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from “\$250,000” to “\$125,000”, and (2) travel expenses from “\$263,700” to “\$100,000”.

In all, Office for Emergency Management, \$440,794,164.

EMERGENCY FUNDS APPROPRIATED TO THE  
PRESIDENT

Emergency fund for the President, national defense,  
\$45,000,000.

1 Defense aid—lend-lease:

2 (1) Ordnance and ordnance stores, supplies, spare  
3 parts, and materials, \$57,990,000.

4 (2) Aircraft and aeronautical material, \$85,705,000.

5 (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8 (4) Vessels, ships, boats, and other watercraft,  
9 \$76,080,000.

10 (5) Miscellaneous military equipment, supplies and ma-  
11 terials, \$8,963,000.

12 (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15 (7) Agricultural, industrial, and other commodities and  
16 articles, \$1,351,216,000, and the \$500,000,000 made avail-  
17 able by title II of the Second Deficiency Appropriation Act,  
18 1945, as a reserve for expenditure for postwar price support  
19 of agriculture shall be paid to the Commodity Credit Corpo-  
20 ration and continued as a reserve fund for expenditure, as  
21 and when necessary, for the postwar price support of  
22 agriculture.

23 (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good working

1 order any defense articles for the government of any country  
2 whose defense the President deems vital to the defense of  
3 the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

### 9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national  
16 defense), \$465,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund,  
24 Act June 29, 1936, revolving fund, \$496,500,000.



## 1 FEDERAL SECURITY AGENCY

## 2 Public Health Service:

3 Health and sanitation activities, war and defense  
4 areas (national defense), \$392,568.

5 Malaria and diseases of tropical origin (national  
6 defense), \$1,862,501.

7 Training for nurses (national defense), \$15,557,-  
8 000, and the limitation on the amount which may be  
9 expended for administrative expenses is hereby decreased  
10 from "\$788,255" to "\$611,322".

## 11 FEDERAL WORKS AGENCY

12 Office of the Administrator: War public works (com-  
13 munity facilities), \$13,700,000.

## 14 Public Buildings Administration:

15 Emergency safeguarding of public buildings and  
16 property, \$750,000.

17 Construction of temporary office buildings, Washing-  
18 ton, District of Columbia, unobligated balance.

19 Public Roads Administration: Flight strips (national de-  
20 fense), \$318,008.

## 21 NATIONAL HOUSING AGENCY

## 22 Office of the Administrator:

23 War housing, \$74,355,000.

24 War housing in and near the District of Columbia,  
25 \$3,372,000.

1       Reserves: From the reserve account established by the  
2 National Housing Administrator in the Treasury pursuant  
3 to section 303 of Public Law 849, Seventy-sixth Congress,  
4 approved October 14, 1940, as amended, \$50,000,000.

5       Section 303 of the Act of October 14, 1940, as amended  
6 (42 U. S. C. 1521), is hereby amended by inserting “(a)”  
7 after the figures “303”, and adding the following new sub-  
8 sections:

9       “(b) Moneys derived by the National Housing Admin-  
10 istrator from the disposition of property, or from the removal  
11 of temporary housing, acquired or constructed under the  
12 provisions of this Act, of Public Laws Numbered 9, 73,  
13 and 353, Seventy-seventh Congress, and of section 201 of  
14 the Second Supplemental National Defense Appropriation  
15 Act, 1941, as amended, shall be available for expenses of  
16 disposition and removal, including the establishment of nec-  
17 essary reserves therefor and administrative expenses in con-  
18 nection therewith: *Provided*, That moneys derived by said  
19 Administrator from the disposition of any such property or  
20 the removal of any such temporary housing may be deposited  
21 in a common fund account or accounts in the Treasury:  
22 *And provided further*, That except for necessary reserves  
23 authorized by this Act or by section 201 of the Second Sup-  
24 plemental National Defense Appropriation Act, 1941, as

1 amended, the unobligated balances of the moneys deposited  
2 into the Treasury from the disposition of any such property  
3 or the removal of any such temporary housing shall be  
4 covered at the end of each fiscal year into miscellaneous  
5 receipts.

6 “(c) Moneys in the reserve account established by  
7 the National Housing Administrator pursuant to subsections  
8 (a) and (b) of this section 303 shall not exceed \$25,000,000  
9 at any time: *Provided*, That all moneys in said account  
10 shall be covered into miscellaneous receipts not later than  
11 two years after the President shall have declared that the  
12 emergency declared by him on September 8, 1939, has  
13 ceased to exist.”

14 In all, independent offices, \$666,040,849.

## 15 EXECUTIVE DEPARTMENTS

### 16 [Non-War]

#### 17 DEPARTMENT OF AGRICULTURE

18 Emergency rubber project, \$1,649,790, and the balance  
19 remaining shall be used to liquidate such project, including  
20 the elimination of the remaining plantations, the rehabili-  
21 tation and return of leased lands to the owners and the dis-  
22 posal of other property according to law, and for the  
23 continuation of the production, breeding, and disease phases  
24 of guayule research on indicator plots and experimental



1 areas until June 30, 1946: *Provided*, That any balances  
2 remaining shall be available until December 31, 1946, for  
3 completing the liquidation of the emergency rubber project.

4 War Food Administration: Salaries and expenses, \$3,-  
5 116,894.

6 Emergency supplies for Territories and possessions,  
7 \$25,000,000.

8 The following appropriations shall be so administered  
9 as to avoid the incurrence of deficiencies therein except for  
10 such added expense occasioned by the Federal Employees  
11 Pay Act of 1945 as it may not be practicable to absorb,  
12 namely:

13 Bureau of Agricultural Economics, salaries and expenses  
14 (crop and livestock estimates) .

15 Office of Foreign Agricultural Relations, salaries and  
16 expenses.

17 Agricultural Research Administration:

18 Bureau of Animal Industry, salaries and expenses  
19 (meat inspection) ;

20 Bureau of Plant Industry, Soils, and Agricultural  
21 Engineering, salaries and expenses (fruit, vegetable, and  
22 specialty crops) ;

23 Bureau of Entomology and Plant Quarantine,  
24 salaries and expenses (foreign plant quarantine) .

1 Forest Service:

2 Salaries and expenses (national forest protec-  
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National  
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-  
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered as  
11 to avoid the incurrence of deficiencies therein except for such  
12 added expense occasioned by the Federal Employees Pay  
13 Act of 1945 as it may not be practicable to absorb, namely:

14 Coast and Geodetic Survey, salaries and expenses,  
15 departmental;

16 Patent Office, salaries;

17 Weather Bureau, salaries and expenses.

18 DEPARTMENT OF THE INTERIOR

19 Office of the Secretary: Salaries and expenses, Division  
20 of Geography, \$13,000.

21 War Relocation Authority: Salaries and expenses, War  
22 Relocation Authority, Department of the Interior, \$2,500,-  
23 000.

24 Office of Fishery Coordination: Salaries and expenses,  
25 \$57,000.

1 Solid Fuels Administration for War:

2 Salaries and expenses, \$275,000, and on April 1,  
3 1946, the sum of \$150,000 of said appropriation shall be  
4 transferred to the appropriation "Economics of mineral  
5 industries", Bureau of Mines, and the limitation in said  
6 latter appropriation for personal services in the District  
7 of Columbia shall be increased from "\$397,500" to  
8 "\$529,000".

9 Bureau of Mines

10 Enforcement of Federal Explosives Act, \$27,900.

11 Investigation of raw-material resources for steel produc-  
12 tion (national defense), \$180,000.

13 Construction and equipment of helium plants, \$260,000.

14 Manganese beneficiation pilot plants and research (na-  
15 tional defense), \$50,000.

16 Production of alumina from low-grade bauxite, alumi-  
17 num clays and alunite (national defense), \$200,000.

18 Investigation of bauxite and alunite ores and aluminum  
19 clay deposits (national defense), \$350,000.

20 Magnesium pilot plants and research (national defense),  
21 \$150,000.

22 Investigation of deposits of critical and essential minerals  
23 in the United States and its possessions (national defense),  
24 \$420,000.



## 1 GOVERNMENT IN THE TERRITORIES

2 Emergency fund, Territories and island possessions  
3 (national defense), \$332,000.

## 4 DEPARTMENT OF JUSTICE

5 Legal activities and general administration: Salaries  
6 and expenses, War Division, \$100,000.

7 Federal Bureau of Investigation: Salaries and expenses,  
8 detection and prosecution of crimes (emergency), \$1,240,-  
9 000.

## 10 DEPARTMENT OF LABOR

11 Office of the Secretary:

12 Salaries and expenses (national defense), \$1,388.

13 Salaries and expenses, safety and health program  
14 (national defense), \$60,000.

15 Children's Bureau:

16 Grants to States for emergency maternity and infant  
17 care (national defense), \$8,113,600: *Provided*, That  
18 such reduced amount shall not affect the amount to be  
19 allotted to the States for administrative expenses as  
20 authorized in the Department of Labor Appropriation  
21 Act, 1946.

## 22 WAR DEPARTMENT

23 The Panama Canal: Maintenance and operation of the  
24 Panama Canal, \$5,000,000,

1 In all, executive departments, \$54,107,572.

2 In all, title I, \$2,945,503,585.

3 Miscellaneous Provisions, Title I

4 REDUCTIONS IN CONTRACT AUTHORIZATIONS

5 Contract authorizations of the departments and agencies  
6 available in the fiscal year 1946 are hereby reduced in the  
7 sums hereinafter set forth:

8 EXECUTIVE OFFICE OF THE PRESIDENT

9 Emergency funds appropriated to the President: De-  
10 fense aid—lend-lease, \$600,000,000.

11 INDEPENDENT OFFICES

12 United States Maritime Commission: Construction fund,  
13 Act June 29, 1936, revolving fund, \$325,900,000.

14 FEDERAL WORKS AGENCY

15 Public Roads Administration:

16 Strategic highway network, \$1,484,363.

17 Access roads, \$2,576,845.

18 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

19 EXPENSES

20 Limitations on amounts from funds of corporations and  
21 other agencies for administrative expenses are hereby reduced  
22 in the following sums:

23 EXECUTIVE OFFICE OF THE PRESIDENT

24 Office for Emergency Management: Foreign Eco-

1 nomic Administration, Rubber Development Corporation,  
2 \$249,500.

3 War Shipping Administration:

4 Revolving fund, \$4,312,000.

5 Maritime training fund, \$519,357.

6 INDEPENDENT OFFICES

7 Smaller War Plants Corporation:

8 Administrative expenses, \$1,550,000, and the limi-  
9 tation under this head on the amount of penalty-mail  
10 costs is hereby decreased from "\$50,000" to "\$40,000".

11 United States Maritime Commission:

12 Construction fund, Act June 29, 1936, revolving  
13 fund, \$2,687,450.

14 EXTENDING AVAILABILITY OF APPROPRIATIONS

15 The following appropriations for the fiscal year 1946 are  
16 hereby continued available until June 30, 1946, except as  
17 modified in this title.

18 Executive Office of the President:

19 Bureau of the Budget, national defense activities,  
20 independent offices:

21 Civil Service Commission, salaries and expenses  
22 (national defense).

23 Federal Communications Commission, salaries  
24 and expenses (national defense).



Federal Power Commission: National defense  
activities.

Federal Security Agency:

Office of the Administrator:

Salaries and expenses, Office of Community  
War Services;

Expenses, temporary aid to enemy aliens and  
other restricted persons.

Department of the Interior:

Office of the Secretary:

Salaries and expenses, Division of Geography,  
Department of the Interior.

#### CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

##### EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of  
the Office of Inter-American Affairs is hereby directed  
to deposit in the Treasury of the United States as miscel-  
laneous receipts the following sums representing excess  
funds of corporations created by the Coordinator of  
Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,  
\$315,500.

Prencinradio, Incorporated, \$875,000.

## GENERAL PROVISIONS

2 In order to accomplish the liquidation of any tem-  
3 porary agency of the Government created to perform func-  
4 tions in connection with the national security and defense,  
5 there may be transferred to such liquidating agency as the  
6 President may designate such amount from the funds of the  
7 agency to be liquidated as the Bureau of the Budget shall  
8 determine is necessary therefor.

## TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Contingencies of the Army, 1942-1946, \$12,829,-  
151.

Expediting Production of Equipment and Supplies  
for National Defense, 1940–1946, \$282,892,000.

### General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946, \$124,-  
335,489.

Special Field Exercises, Army, 1942-1946, \$51,-  
246,874.

Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$36,000; and (2) Apprehension of deserters, \$171,000.

1       Quartermaster Corps:

2           Quartermaster Service, Army, 1942-1946, \$3,919,-  
3       838,479, and subappropriations under this head are  
4       hereby decreased as follows: (1) Welfare of enlisted  
5       men, \$5,000,000; (2) subsistence of the Army,  
6       \$1,762,081,479; (3) regular supplies of the Army,  
7       \$541,018,000; (4) clothing and equipage, \$1,563,-  
8       225,000; (5) horses, draft and pack animals,  
9       \$1,514,000; and (6) Army transportation, \$47,-  
10      000,000.

11      Transportation Corps:

12           Transportation Service, Army, 1945-1946, \$704,-  
13      268,000.

14      Signal Corps:

15           Signal Service of the Army, 1942-1946, \$1,675,-  
16      684,000.

17      Air Corps:

18           Air Corps, Army, 1942-1946, \$11,799,313,000:

19      *Provided*, That before any permanent fields are deter-  
20      mined upon or permanent buildings erected thereon the  
21      Air Corps shall submit to Congress a list of such fields  
22      and the justification therefor.



1 Medical Department:

2 Medical and Hospital Department, Army, 1942-  
3 1946, \$267,539,000.

4 Corps of Engineers:

5 Engineer Service, Army, 1942-1946, \$2,306,-  
6 763,000, and subappropriations under this head are  
7 hereby decreased as follows: (1) Engineer Service,  
8 \$2,011,648,000; (2) Military posts, \$148,255,000;  
9 and (3) Barracks and quarters, Army, \$146,860,000.

10 Ordnance Department:

11 Ordnance Service and Supplies, Army, 1942-1946,  
12 \$8,100,000,000.

13 Chemical Warfare Service:

14 Chemical Warfare Service, Army, 1942-1946,  
15 \$997,870,000.

16 Special Service Schools:

17 Special Service Schools, Army, 1942-1946, \$178,-  
18 000, and subappropriations under this head are hereby  
19 decreased as follows: (1) Infantry School, \$81,000;  
20 (2) Cavalry activities, \$22,700; and (3) Field Ar-  
21 tillery activities, \$74,300.

22 Seacoast defenses:

23 Seacoast defenses, general, 1942-1946, \$1,664,000.

24 United States Military Academy: Pay of Military  
25 Academy, 1942-1946, \$21,000.

1 Inter-American Relations, War Department: Inter-  
 2 American Relations, War Department, 1943-1946, \$75,000.

3 Office of the Secretary:

4 Contingent expenses, War Department, 1942-1946,  
 5 \$1,200,000.

6 Printing and binding, War Department, 1942-1946.  
 7 \$18,000,000.

8 TRANSFER OF APPROPRIATIONS

9 In addition to the transfers authorized by section 3 of  
 10 the Military Appropriation Act, 1946, transfers of not to  
 11 exceed the amounts hereinafter set forth may be made, with  
 12 the approval of the Bureau of the Budget, from the appro-  
 13 priation "Ordnance Service and Supplies, Army", to the  
 14 following appropriations:

15 Army War College, \$23,819;

16 Command and General Staff School, Fort Leavenworth,  
 17 Kansas, \$30,189;

18 Quartermaster Service, Army, \$7,881,967;

19 Rock Island Bridge, Rock Island, Illinois, \$5,719;

20 Instruction in armored force activities, \$389,756;

21 Maintenance and Operation, United States Military  
 22 Academy, \$1,323,884;

23 Army of the Philippines, \$200,000,000: *Provided,*  
 24 That service in the organized military forces of the Govern-  
 25 ment of the Commonwealth of the Philippines, while such

1 forces were in the service of the armed forces of the United  
2 States pursuant to the military order of the President of the  
3 United States dated July 26, 1941, shall not be deemed to  
4 be or to have been service in the military or naval forces of  
5 the United States or any component thereof for the purposes  
6 of any law of the United States conferring rights, privileges,  
7 or benefits upon any person by reason of the service of such  
8 person or the service of any other person in the military or  
9 naval forces of the United States or any component thereof,  
10 except benefits under (1) the National Service Life Insur-  
11 ance Act of 1940, as amended, under contracts heretofore  
12 entered into, and (2) laws administered by the Veterans'  
13 Administration providing for the payment of pensions on  
14 account of service-connected disability or death: *Provided*  
15 *further*, That such pensions shall be paid at the rate of one  
16 Philippine peso for each dollar authorized to be paid under  
17 the laws providing for such pensions: *Provided further*,  
18 That any payments heretofore made under any such law to  
19 or with respect to any member of the military forces of the  
20 Government of the Commonwealth of the Philippines who  
21 served in the service of the armed forces of the United States  
22 shall not be deemed to be invalid by reason of the circum-  
23 stances that his service was not service in the military or  
24 naval forces of the United States or any component thereof  
25 within the meaning of such law.



## GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

## TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

- 1        Naval emergency fund:
- 2            Fiscal year 1945, \$25,477.
- 3            Fiscal year 1946, \$3,000,000.
- 4        Naval Research Laboratory:
- 5            Fiscal year 1944, \$5,185.
- 6            Fiscal year 1945, \$3,002.
- 7            Fiscal year 1946, \$90,000.
- 8        Operation and conservation of naval petroleum reserves:
- 9            Fiscal year 1944, \$6,986.
- 10           Fiscal year 1945, \$6,353.
- 11           Fiscal year 1946, \$18,000.
- 12        Ocean and lake surveys, Navy:
- 13           Fiscal year 1944, \$6,677.
- 14           Fiscal year 1945, \$21,298.
- 15        Bureau of Naval Personnel:
- 16        Naval War College:
- 17           Fiscal year 1944, \$4,521.
- 18           Fiscal year 1945, \$2,886.
- 19        Naval Training Station, San Diego, California:
- 20           Fiscal year 1944, \$232,338.
- 21           Fiscal year 1945, \$327,515.
- 22        Naval Training Station, Newport, Rhode Island:
- 23           Fiscal year 1944, \$823.
- 24           Fiscal year 1945, \$256.

1 Naval Training Station, Great Lakes, Illinois:

2 Fiscal year 1944, \$459,244.

3 Fiscal year 1945, \$29,510.

4 Fiscal year 1946, \$700,000.

5 Naval Training Station, Norfolk, Virginia:

6 Fiscal year 1944, \$4,488.

7 Fiscal year 1945, \$14,879.

8 Naval Training Station, Lake Pend Oreille, Idaho:

9 Fiscal year 1944, \$54,790.

10 Fiscal year 1945, \$604,708.

11 Naval Training Station, Lake Seneca, New York:

12 Fiscal year 1944, \$38,894.

13 Fiscal year 1945, \$3,209.

14 Naval Training Station, Port Deposit, Maryland:

15 Fiscal year 1945, \$2,794.

16 Fiscal year 1946, \$500,000.

17 Fleet training, Navy:

18 Fiscal year 1944, \$11,108.

19 Fiscal year 1945, \$164,695.

20 Fiscal year 1946, \$78,000.

21 Instruction, Navy:

22 Fiscal year 1944, \$2,151,364.

23 Fiscal year 1945, \$120,000.

24 Fiscal year 1946, \$6,000,000.



- 1        Libraries, Navy:
- 2            Fiscal year 1944, \$145,920.
- 3            Fiscal year 1945, \$1,693.
- 4            Fiscal year 1946, \$1,252,935.
- 5        Welfare and recreation, Navy:
- 6            Fiscal year 1944, \$903,681.
- 7            Fiscal year 1946, \$4,124,000.
- 8        Naval Reserve Officers' Training Corps:
- 9            Fiscal year 1944, \$237,300.
- 10          Fiscal year 1945, \$88,337.
- 11        Miscellaneous expenses, Bureau of Naval Personnel:
- 12            Fiscal year 1944, \$3,009.
- 13            Fiscal year 1945, \$124.
- 14            Fiscal year 1946, \$20,000.
- 15        Naval Reserve:
- 16            Fiscal year 1944, \$54,961,800.
- 17            Fiscal year 1945, \$24,511,154.
- 18            Fiscal year 1946, \$38,262,000.
- 19        Pay, Naval Academy:
- 20            Fiscal year 1944, \$88,394.
- 21            Fiscal year 1945, \$93,796.
- 22        Maintenance, Naval Academy:
- 23            Fiscal year 1944, \$6,877.
- 24            Fiscal year 1945, \$2,529.

1 Naval Home, Philadelphia, Pennsylvania:

2 Fiscal year 1944, \$610.

3 Fiscal year 1945, \$1,250.

4 Naval prison farms and prison personnel:

5 Fiscal year 1944, \$10.

6 Fiscal year 1945, \$5,100.

7 Bureau of Ships:

8 Maintenance, Bureau of Ships:

9 Fiscal year 1942, \$43,907,135.

10 Fiscal year 1942-43, \$51,956,375.

11 Fiscal year 1943, \$64,050,351.

12 Fiscal year 1944, \$52,247,000.

13 Fiscal year 1945, \$118,474,000.

14 Fiscal year 1946, \$1,468,000,000.

15 Defense installations on merchant vessels, Navy.

16 \$13,658,123.

17 Bureau of Ordnance:

18 Ordnance and ordnance stores, Navy:

19 Fiscal year 1944, \$551,226,542.

20 Fiscal year 1945, \$1,208,752,767.

21 Fiscal year 1946, \$2,575,225,500.

22 Bureau of Supplies and Accounts:

23 Pay, subsistence, and transportation, Navy, 1944,

24 \$69,247,269.

- 1 Pay and subsistence of naval personnel, 1946, \$1,317,-  
2 369,200.
- 3 Maintenance, Bureau of Supplies and Accounts, 1946,  
4 \$81,314,000.
- 5 Transportation of things, Navy, 1946, \$140,036,282.
- 6 Fuel, Navy, 1946, \$100,000,000.
- 7 Bureau of Medicine and Surgery:  
8 Medical Department, Navy:  
9 Fiscal year 1944, \$14,017,195.  
10 Fiscal year 1945, \$12,238,592.  
11 Fiscal year 1946, \$30,000,000.
- 12 Bureau of Yards and Docks:  
13 Maintenance, Bureau of Yards and Docks:  
14 Fiscal year 1944, \$2,431,496.  
15 Fiscal year 1945, \$3,139,211.  
16 Fiscal year 1946, \$5,000,000.
- 17 Public Works, Bureau of Yards and Docks, \$400,000,-  
18 000, and the contract authorization for "Public Works,  
19 Bureau of Yards and Docks" available in the fiscal year  
20 1946 is hereby reduced in the sum of \$1,248,510,540: *Pro-*  
21 *vided*, That the rescission of \$400,000,000 of the appropria-  
22 tion shall not act to reduce further the contract authority:  
23 *Provided further*, That of this amount \$946,000,000 shall  
24 apply against advance base construction, material, and equip-  
25 ment: *Provided further*, That of the funds remaining avail-



1 able for advance base construction, material, and equipment,  
2 not to exceed \$6,000,000 shall be available toward recon-  
3 struction of the civilian economy of Guam.

4 Bureau of Aeronautics:

5 Aviation, Navy:

6 Fiscal year 1943, \$256,482,489.

7 Fiscal year 1943-44, \$193,929,557.

8 Fiscal year 1944, \$811,987,405.

9 Fiscal year 1945, \$1,468,753,102.

10 Fiscal year 1946, \$1,359,367,650, and subappro-  
11 priations under this head are hereby decreased as fol-  
12 lows: (1) New construction and procurement of aircraft  
13 and equipment, spare parts, and so forth, from "\$799,-  
14 128,500" to "\$128,116,900", (2) replacement of navi-  
15 gational and radio equipment for aircraft in service, and  
16 so forth, from "\$168,808,200" to "\$44,934,000", and  
17 (3) maintenance, repair, and operation of aircraft fac-  
18 tory, air stations, and so forth, from "\$1,431,840,800"  
19 to "\$800,374,950"; the subappropriation "continuing  
20 experiments and development work, and so forth," is  
21 hereby increased from "\$81,272,500" to "\$148,256,-  
22 500"; and the unobligated portion of the contract  
23 authorization provided under this head is hereby re-  
24 pealed.

1 Marine Corps:

2 Pay, Marine Corps:

3 Fiscal year 1944, \$40,521,480.

4 Fiscal year 1945, \$10,000,000.

5 Fiscal year 1946, \$69,913,260.

6 Pay of civil force, Offices of Commandant of Marine  
7 Corps and Director of Personnel:

8 Fiscal year 1944, \$358.

9 Fiscal year 1945, \$174.

10 Pay of civil force, Office of Paymaster General, Marine  
11 Corps:

12 Fiscal year 1944, \$330.

13 Fiscal year 1945, \$118.

14 Pay of civil force, Office of Quartermaster General,  
15 Marine Corps:

16 Fiscal year 1944, \$844.

17 Fiscal year 1945, \$1,059.

18 General expenses, Marine Corps:

19 Fiscal year 1944, \$79,787,482.

20 Fiscal year 1945, \$56,737,554.

21 Fiscal year 1946, \$307,750,000.

22 Increase and replacement of naval vessels:

23 Increase and replacement of naval vessels, construc-  
24 tion and machinery, \$732,104,151.

1           Increase and replacement of naval vessels, armor,  
2           armament and ammunition, \$276,876,967.

3           Increase and replacement of naval vessels, emer-  
4           gency construction, \$38,385,489: *Provided*, That the  
5           balances remaining of appropriations under "Increase  
6           and replacement of naval vessels" shall not be available  
7           for the period of the fiscal year 1946 subsequent to  
8           October 16, 1945, for beginning the construction of any  
9           new vessels, except, not to exceed \$24,100,000 may be  
10          available during the fiscal year 1946 against the con-  
11          struction of five advanced type combatant vessels and  
12          seventeen minor craft.

13          Repair facilities, Navy:

14                Repair facilities, Navy, \$38,266,050, and the con-  
15                tract authorization for "Repair facilities, Navy", avail-  
16                able in the fiscal year 1946 is hereby reduced in the  
17                sum of \$27,562,131.

18          Coast Guard:

19                Salaries, Office of Commandant, United States Coast  
20                Guard:

21                      Fiscal year 1944, \$219.

22                      Fiscal year 1945, \$133,293.

23                Pay and allowances, Coast Guard:

24                      Fiscal year 1944, \$35,006,326.



- 1           Fiscal year 1945, \$8,658,922.
- 2           Fiscal year 1946, \$80,000,000.
- 3       General expenses, Coast Guard:
- 4           Fiscal year 1944, \$631,865.
- 5           Fiscal year 1945, \$1,289,896.
- 6           Fiscal year 1946, \$20,000,000.
- 7       Civilian employees, Coast Guard:
- 8           Fiscal year 1944, \$109,654.
- 9           Fiscal year 1945, \$200,633.
- 10       Establishing and improving aids to navigation, Coast
- 11 Guard, \$346,000.
- 12       Acquisition of vessels and shore facilities, Coast Guard,
- 13 \$2,741,000.
- 14       Retired pay, former Lighthouse Service, Coast Guard:
- 15           Fiscal year 1944, \$73,320.
- 16           Fiscal year 1945, \$48,109.
- 17       Salaries, Merchant Marine Inspection, Coast Guard,
- 18 1945, \$25,536.
- 19       Salaries and expenses, Merchant Marine Inspection,
- 20 Coast Guard:
- 21           Fiscal year 1944, \$899,401.
- 22           Fiscal year 1945, \$373,270.
- 23       Emergency construction, vessels and shore facilities,
- 24 Coast Guard (Navy), \$231,000.

1 Special projects, vessels, Coast Guard (Navy),  
2 \$127,000.

3 Special projects, aids to navigation, Lighthouse Service,  
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard  
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.

1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-  
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.



Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

1           Fiscal year 1945, \$94,942.

2           Fiscal year 1946, \$413,000.

3       Contingent and miscellaneous expenses, Naval Ob-  
4 servatory:

5           Fiscal year 1944, \$572.

6           Fiscal year 1945, \$40.

7                           GENERAL PROVISIONS

8       Provisions of law prohibiting the payment of compen-  
9 sation to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment dur-  
11 ing the fiscal year ending June 30, 1946.

12       Notwithstanding the provisions of section 10 of the  
13 Pay Readjustment Act of 1942 (56 Stat. 364), the Secre-  
14 tary of the Navy is authorized and directed to issue in kind  
15 one dress blue uniform and overcoat to each enlisted man  
16 in the naval service upon his return to the United States  
17 from sea and foreign shore duty for separation from the  
18 naval service upon the sworn statement of such enlisted  
19 man that these articles of clothing are not now in his pos-  
20 session by reason of compliance with orders of higher naval  
21 authority or other exigencies of the service beyond his con-  
22 trol and that no claim for reimbursement will be filed for  
23 the value of such articles so replaced: *Provided*, That the  
24 value of such articles of clothing shall be charged to the

1 clothing and small-stores fund. The authority contained  
2 herein shall terminate on September 30, 1946.

3 Personnel of the Naval Reserve, not qualified for sea  
4 duty, will, upon their application, be placed on inactive  
5 duty if surplus to requirements.

6 The dependents and household effects of such civilian  
7 and naval personnel of the Naval Establishment (without  
8 regard to rank or grade) on duty at locations outside the  
9 continental limits of the United States, or in Alaska, as  
10 may be determined upon by the Secretary of the Navy,  
11 may prior or subsequent to the issuance of orders for the  
12 relief of such personnel from their stations, or subsequent  
13 to the discharge or release of such personnel from active  
14 service, be moved (including packing and unpacking of  
15 household effects) from such locations outside the conti-  
16 nental limits of the United States, or in Alaska, to such  
17 locations as may be designated by such personnel, or de-  
18 pendants concerned, by the use of either Government or  
19 commercial means of transportation, and later from such  
20 locations to the duty station to which such personnel may  
21 be ordered, and current appropriations of the Navy Establish-  
22 ment available for travel and transportation may be used  
23 for this purpose. In lieu of the transportation in kind  
24 authorized for dependents, the Secretary of the Navy may



1 authorize the payment in money of amounts equal to the  
2 commercial transportation costs (including taxes if paid),  
3 for the whole or such part of the travel for which trans-  
4 portation in kind is not furnished when such travel shall  
5 have been completed.

6 In all, title III, \$14,370,159,964.

7 GENERAL PROVISION

8 The officer and enlisted personnel strengths of the Army,  
9 Navy, Marine Corps, and Coast Guard shall be demobilized  
10 at a rate not less than would be necessary to keep within the  
11 amounts available for their pay in consequence of the pro-  
12 visions of this Act, unless the President otherwise shall direct.

13 Effective December 1, 1945, no military or naval per-  
14 sonnel shall receive during the remainder of the current fiscal  
15 year aviation pay unless the person affected is assigned to  
16 duty on air activities prescribed by the Secretary of War  
17 or the Secretary of the Navy as requiring regular and fre-  
18 quent participation in aerial flights, or is required to partici-  
19 pate regularly and frequently in aerial flights in order to  
20 continue his fitness for his primary technical skill: *Provided*,  
21 That in addition, on or before January 1, annually, the  
22 Secretaries of War and Navy, respectively, shall certify to  
23 the Congress by rank and age group the number of such  
24 officers above the rank of major of the Army or lieutenant  
25 commander of the Navy, with the average monthly flight

1 pay authorized by law to be paid to such officers during  
2 the six-month period preceding the date of the report: *Pro-*  
3 *vided further*, That the Secretary of War and the Secretary  
4 of the Navy shall on or before January 3, 1946, submit to  
5 the Congress a joint recommendation for revision of the  
6 Pay Readjustment Act of 1942, as amended, including but  
7 not restricted to recommendations with respect to increases  
8 authorized for flying pay, parachute pay, glider pay, sub-  
9 marine pay, and similar special pay and allowances.

10 SEC. 301. This Act may be cited as the "First Supple-  
11 mental Surplus Appropriation Rescission Act, 1946".

79TH CONGRESS  
2D Session

H. R. 5158

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# A BILL

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Reducing certain appropriations and contract  
authorizations available for the fiscal year  
1946, and for other purposes.

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By Mr. CANNON of Missouri

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JANUARY 17, 1946

Referred to the Committee on Appropriations







DIGEST OF THE PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued January 30, 1946, for actions of Tuesday, January 29, 1946)

(For staff of the Department only)

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HIGHLIGHTS: Senate committee reported bill establishing a Bureau of Scientific Research. Rep. Miller stated that price controls should be administered by USDA or Commerce Department. Rep. Jonkman, Mich., criticized Department's handling of sugar situation, and urged legislation to continue subsidies authorization. House committee reported appropriations-rescission bill (same as vetoed bill except USES item).

HOUSE

1. APPROPRIATIONS-RESCISSION BILL. The Appropriations Committee reported without amendment this bill, H.R. 5158 (H.Rept. 1500) (p. 571). It is identical with H.R. 4407, which was pocket-vetoed, except for the item which would transfer USES to the States. (See Digest 219, 1945 for provisions.) The Committee report contains the President's pocket-veto message and states that there is no change in the bill and therefore no need for detailed statement. No hearings were held on the new bill. The Rules Committee reported a resolution for the consideration of this bill (p. 571).
2. SUGAR; SUBSIDIES. Rep. Jonkman, Mich., criticized the Department's handling of the sugar situation, charging "maladministration" of sugar price control as the cause of the shortage, and urging immediate passage of H.J. Res. 301, to continue the subsidies authorization for the 1946 crop (pp. 569-70).
3. EMPLOYMENT. Passed with amendment, 263-113, H.R. 4437, to provide for the return of the USES to State operation (pp. 544-63).

SENATE

4. F.S.A. LANDS. The Public Lands and Surveys Committee reported (Jan. 28) with amendments S. 1336, to transfer the FSA Burlington Farms Project to N. Dak. for the benefit and rehabilitation of handicapped veterans (S. Rept. 901) (p. 473).
5. SCIENTIFIC RESEARCH. The Commerce Committee reported with amendments S. 1248, to



establish a Bureau of Scientific Research (S. Rept. 908) (p. 516).

6. SURPLUS PROPERTY; VETERANS. Sen. Green, R.I., inserted a R.I. Legislature resolution urging that hospitalized veterans have the same preference as honorably discharged veterans in the purchase of surplus property (p. 515).
7. F.E.P.C. Continued debate on S. 101, the FEPC bill (pp. 509-15, 516-27).

#### BILLS INTRODUCED

8. FOREIGN RELIEF. S. Con. Res. 51, by Sen. Wherry, Nebr., et al., to establish a joint committee to investigate the starvation conditions in Europe. To Foreign Relations Committee. Remarks of author. (pp. 527-38).
9. HOMESTEAD LANDS. S. 1772, by Sen. Downey, Calif., and H.R. 5271, by Rep. Engle, Calif., to amend the act to allow credit relating to certain homestead entries for military or naval service rendered during World War II. To Public Lands and Surveys Committee. (pp. 516, 571).
10. HEALTH. S. J. Res. 137, to authorize the Secretary of Labor to make certain studies of the health of school children. To Education and Labor Committee. (p. 516.).
11. LABOR. H.R. 5262, by Rep. Case, S. Dak., to provide additional facilities for the mediation of labor disputes. To Labor Committee. (p. 571.) Remarks of author (pp. 544-6).
12. PERSONNEL; APPOINTMENTS. H.R. 5268, by Rep. McGlinchey, Pa., to provide that preference in appointments to civilian positions in the Government be given to parents of individuals who died in the armed forces. To Civil Service Committee. (p. 571.)
13. PRICE CONTROL. H.R. 5270, by Rep. Spence, Ky., to amend the Emergency Price Control and Stabilization Acts. To Banking and Currency Committee. (p. 571.)
14. PERSONNEL. H.R. 5267, by Rep. McGehee, Miss., to amend the Civil Service Retirement Act. To Civil Service Committee. (p. 571.)  
H.R. 5276, by Rep. Randolph, W. Va., to amend the act to provide for the payment to certain Government employees for accumulated or accrued annual leave due upon their separation from Government service. To Civil Service Committee. (p. 571.)
15. PULASKI'S MEMORIAL DAY. H.J. Res. 309, by Rep. Gordon, (Ill.) and H.J. Res. 310, by Rep. Grant (Ind.) authorizing the President to proclaim Oct. 11, 1946, General Pulaski's Memorial Day. To Judiciary Committee. (p. 571.)
16. SURPLUS PROPERTY. H. Con. Res. 123, by Rep. Walter, Pa., redeclaring the policy of Congress with respect to reports required to be submitted to it which relate to the disposition of certain surplus property. To Expenditures in the Executive Departments Committee. (p. 571.)

#### ITEMS IN APPENDIX

17. PRICE CONTROL. Extension of remarks of Rep. Miller, Nebr., stating that price controls should be placed in either this Department or the Commerce Department and including a constituent's letter on the subject (p. A334).  
Sen. Wherry, Nebr., inserted a newspaper article, "Truman Asks Price Con-



partment, to be paid out of the postal revenues for the fiscal year 1946, and an estimate of \$4,000 for the fiscal year 1946, to be paid out of the general fund of the Treasury, to provide funds with which to make full settlement of a private relief act (H. Doc. No. 427); to the Committee on Appropriations and ordered to be printed.

994. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$31,600 for the Department of Labor (H. Doc. No. 428); to the Committee on Appropriations and ordered to be printed.

995. A letter from the Postmaster General, transmitting a tabulation showing the number of envelopes, labels, and other penalty inscribed material on hand and on order June 30, 1945; the number of pieces procured; the estimated mailings, and the estimated cost, by departments and agencies, for the quarter ended September 30, 1945; to the Committee on the Post Office and Post Roads.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 5158. A bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; without amendment (Rept. No. 1500). Referred to the Committee of the Whole House on the State of the Union.

Mr. JACKSON: Committee on Indian Affairs. H. R. 2947. A bill to authorize the consolidation of lands on the Sisseton Indian Reservation, S. Dak., and for other purposes; with amendment (Rept. No. 1505). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 5117. A bill to amend title V of the Communications Act of 1934 so as to prohibit certain coercive practices affecting radio broadcasting; with amendment (Rept. No. 1508). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 499. Resolution providing for the consideration of H. R. 5158, a bill reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; without amendment (Rept. No. 1509). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON: Committee on Indian Affairs. S. 480. An act to authorize the sale of the allotment of Henry Keiser on the Crow Indian Reservation, Mont.; without amendment (Rept. No. 1501). Referred to the Committee of the Whole House.

Mr. JACKSON: Committee on Indian Affairs. H. R. 4027. A bill authorizing sale of the allotment of LeRoy Milliken on the Crow Indian Reservation, Mont.; without amendment (Rept. No. 1502). Referred to the Committee of the Whole House.

Mr. JACKSON: Committee on Indian Affairs. H. R. 4034. A bill authorizing the issuance of a patent in fee to Alice Yarlott; with amendment (Rept. No. 1503). Referred to the Committee of the Whole House.

Mr. JACKSON: Committee on Indian Affairs. H. R. 4035. A bill authorizing the issuance of a patent in fee to Wilbur Keiser; with amendment (Rept. No. 1504). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 4957. A bill for the relief of Herman Gelb; without amendment (Rept. No. 1506). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 5167. A bill for the relief of the estate of Mrs. Minerva C. Davis; with amendment (Rept. No. 1507). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5097) for the relief of Hanson, Orth, & Stevenson, Inc.; Committee on War Claims discharged and referred to the Committee on Claims.

A bill (H. R. 5226) granting a pension to Nell H. Shacklette; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 5262. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on Labor.

By Mr. BUCK:

H. R. 5263. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on Accounts.

By Mr. WALTER:

H. R. 5264. A bill to permit the payment of readjustment allowances after a 3-week waiting period to former members of the armed forces whose unemployment is due to a stoppage of work resulting from a labor dispute; to the Committee on World War Veterans' Legislation.

By Mr. HAGEN:

H. R. 5265. A bill to dispense with the requirement of registration under the Selective Training and Service Act of 1940, as amended, of men 45 years of age and over; to the Committee on Military Affairs.

By Mr. HUBER (by request):

H. R. 5266. A bill to redefine the status of members of the United States occupational forces in Europe between November 12, 1918, and July 2, 1921, for the purposes of certain acts and regulations administered by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. McGEHEE:

H. R. 5267. A bill to amend the Civil Service Retirement Act of May 29, 1939, as amended; to the Committee on the Civil Service.

By Mr. McGLINCHEY:

H. R. 5268. A bill to provide that preference in appointments to civilian positions in the Government be given to parents of individuals who died in the armed forces; to the Committee on the Civil Service.

By Mr. RILEY:

H. R. 5269. A bill to amend section 5 of the Home Owners' Loan Act of 1933, and for other purposes; to the Committee on Banking and Currency.

By Mr. SPENCE:

H. R. 5270. A bill to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. ENGLE of California:

H. R. 5271. A bill to amend an act entitled "An act to allow credit in connection with certain homestead entries for military or naval service rendered during World War II"; to the Committee on the Public Lands.

By Mr. HAGEN:

H. R. 5272. A bill providing for a national referendum on the proposed loan to the Government of the United Kingdom of Great Britain and Northern Ireland; to the Committee on the Judiciary.

By Mr. HUBER (by request):

H. R. 5273. A bill to permit the payment of readjustment allowances after a 3-week waiting period to former members of the armed forces whose unemployment is due to a stoppage of work resulting from a labor dispute; to the Committee on World War Veterans' Legislation.

By Mr. McGEHEE (by request):

H. R. 5274. A bill to amend an act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the Superintendent of Weights, Measures, and Markets of the District of Columbia; and for other purposes", approved March 3, 1921, as amended; to the Committee on the District of Columbia.

By Mr. McMILLAN of South Carolina:

H. R. 5275. A bill to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH:

H. R. 5276. A bill to amend the act entitled "An act to provide for the payment to certain Government employees for accumulated or accrued annual leave due upon their separation from Government service," approved December 21, 1944; to the Committee on the Civil Service.

H. R. 5277. A bill to grant certain additional basic authority to the Civil Service Commission; to the Committee on the Civil Service.

By Mr. GORDON:

H. J. Res. 309. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. GRANT of Indiana:

H. J. Res. 310. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 123 Concurrent resolution redeclaring the policy of the Congress with respect to reports required to be submitted to it which relate to the disposition of certain surplus property; to the Committee on Expenditures in the Executive Departments.

By Mr. CANNON of Missouri:

H. Res. 498. Resolution providing an allocation from the contingent fund of the House to the Committee on Appropriations for expenses of studies and examinations under House Resolution 50; to the Committee on Accounts.



## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Missouri:

H. R. 5278. A bill to legalize the admission to the United States of Virginia Harris Casardi; to the Committee on Immigration and Naturalization.

By Mr. DAVIS:

H. R. 5279. A bill for the relief of Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn.; to the Committee on Claims.

By Mr. D'EWARD:

H. R. 5280. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Lindly Nelson; to the Committee on Indian Affairs.

H. R. 5281. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Robert Nelson; to the Committee on Indian Affairs.

H. R. 5282. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Clarence Huso; to the Committee on Indian Affairs.

H. R. 5283. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Everett H. Hanson; to the Committee on Indian Affairs.

By Mr. EARTHMAN:

H. R. 5284. A bill for the relief of Mrs. Lucy T. Harris; to the Committee on Claims.

H. R. 5285. A bill for the relief of Ben Thomas Haynes, a minor; to the Committee on Claims.

By Mr. LEA:

H. R. 5286. A bill for the relief of Claude R. Hall and Florence V. Hall; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 5287. A bill for the relief of Mrs. Cecile W. McAfee, Sarah McAfee, and Haven H. McAfee; to the Committee on Claims.

By Mr. McGLINCHEY:

H. R. 5288. A bill for the relief of Warren N. Miller; to the Committee on the Merchant Marine and Fisheries.

By Mr. REECE of Tennessee:

H. R. 5289. A bill for the relief of Alfred Arrowood; to the Committee on Military Affairs.

H. R. 5290. A bill for the relief of Solon P. Haun; to the Committee on Military Affairs.

By Mr. RAYFIEL:

H. R. 5291. A bill for the relief of Morris Zucker; to the Committee on Claims.

By Mr. WALTER:

H. R. 5292. A bill for the relief of Second Lt. Ephraim D. Yates; to the Committee on Military Affairs.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1503. By Mr. SMITH of Wisconsin: Letter from American Legion Post, No. 21, Kenosha, Wis., in opposition to the Veterans' Administration establishing a contact officer within the various counties or districts; to the Committee on World War Veterans' Legislation.

1504. Also, petition of Junker Ball Post, No. 1865, Veterans of Foreign Wars, Kenosha, Wis., in opposition to the Veterans' Administration establishing a contact officer in Kenosha County; to the Committee on World War Veterans' Legislation.

1505. By the SPEAKER: Petition of the Colorado State Association of County Commissioners, petitioning consideration of their resolution with reference to amendment of the Social Security Act to permit recipients of old-age assistance to reside in public institutions; to the Committee on Ways and Means.

1506. Also, petition of Sgt. Thomas R. Clark and others, petitioning consideration of their resolution with reference to demobilization of men overseas; to the Committee on Military Affairs.



# FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

JANUARY 29, 1946.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

## REPORT

[To accompany H. R. 5158]

The Committee on Appropriations, to whom was referred the bill (H. R. 5158) entitled "A bill reducing certain appropriations and contraet authorizations available for the fiscal year 1946, and for other purposes," report the measure with a favorable recommendation for its early consideration and passage by the House.

The bill is precisely the same in form and content as the similarly entitled bill (H. R. 4407) as finally approved by the House and Senate and transmitted to the President, except that it excludes the provision contained in H. R. 4407 for the return to the States of the employment services which were loaned to the Federal Government at the beginning of 1942. Because there has been no change in other respects, no detailed report is presented. The following, however, is a summation of the reseissions provided for in the former and accompanying measures:

Exeexutive departnents and various independent  
ageneies:

	<i>Amounts rescinded</i>
Cash_____	\$2, 945, 503, 585
Contractual authorization_____	929, 961, 208
Military Establishment: Cash_____	30, 263, 923, 993

## Naval Establishment:

	<i>Amounts rescinded</i>
Cash.....	\$14, 370, 159, 964
Contractual authorization.....	3, 276, 072, 671
Corporate funds.....	1, 190, 500
Total.....	51, 786, 811, 921

The earlier bill, as passed by the House, included provision for the States to resume control of their loaned employment services on the thirtieth day after the enactment of such bill. A more comprehensive provision was substituted by the Senate, and, as finally agreed to by the House and Senate, provided for the return of the employment services to the States on or before the one hundredth day after the enactment of the bill.

## Agency:

The President's objection to H. R. 4407 is because of his opposition to the provision contained therein for the return to the States of their loaned employment services at the height of the period of demobilization and reconversion. His position is made clear in his memorandum announcing that he had not approved the bill, issued on December 22, 1945, and which appears on pages 18 and 19 of the Congressional Record of January 14, 1946. The text thereof follows:

"I am withholding my approval of H. R. 4407, 'Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.'

"It is with sincere regret that I am unable to approve this legislation. In response to my communication of September 5, 1945, and in conformity with their own careful plans, the Appropriations Committees of the House and of the Senate held extended hearings and gave mature consideration to the readjustment of executive programs and finances to the problems of the reconversion period. The Congress has acted expeditiously and considerately to develop the basis for the continuing peacetime operations of the Government. It has demonstrated a fine spirit of economy in reducing appropriations without complicating the delicate adjustment from wartime to peacetime functions, and without sacrificing the basic progress which has been made during the war years in the long-term development of Government activity.

"So far as the basic purpose of this bill rescinding appropriations is concerned, I am in thorough agreement with the action of the Congress. Far from wishing to sacrifice the care and effort which have gone into its development, I shall by Executive action preserve the full values of these rescission provisions in the exact terms which the Congress itself has approved. If these provisions stood alone I should gladly approve the bill. I have asked the Director of the Bureau of the Budget to place these rescission amounts in a reserve, nonexpendable status, and so to advise the departments and agencies concerned.

"In addition to its effect on appropriations, however, the bill contains provisions which require our system of public employment offices—now unified in a single national system—to be broken up within 100 days, and transferred to operation as 51 separate State and Territorial systems.

"While I believe such a transfer should be made at the proper time, I am convinced that this bill requires that it be made at the wrong

time, and in the wrong way. Such a dispersion and transfer at this time would immeasurably retard our reemployment program. And as the basis for Federal-State cooperation, in a fundamental program of national importance, the provisions of the bill dealing with the public employment offices are unsound and unwise from any point of view.

"So far as the timing of the transfer is concerned, the period designated by this bill—the next 100 days—is the most disadvantageous that could have been chosen. It will result in a disrupted and inefficient employment service at the very time when efficient operation is most vitally needed by veterans, workers, and employers.

"Our local public employment offices are now, and will be during the next several months, in the midst of the peak work load in their history. This is because the offices are now engaged in counseling and placing millions of applicants who require individualized service. These applicants include able-bodied veterans seeking assistance in their readjustment to civilian life, handicapped veterans requiring even more time and guidance in finding the jobs most suitable for them, and unemployed war workers who are confronted by difficult readjustments because of substantial reductions in job opportunities at their wartime skills and wage rates.

"At such a time any change in management and direction is necessarily disruptive to the service. A change which would replace our present single and unified management by 51 separate managements would be very harmful. Even with every effort by the States to promote a smooth transition, the transfer of some 23,000 employees to new conditions of employment, and the adjustment of operations to the requirements of 51 different State agencies, will inevitably cause confusion and delay.

"In my reconversion message of September 6 to the Congress I pointed out our national responsibilities and problems in connection with reemployment during the reconversion period. During this period displaced war workers and the veterans who are returning to civilian life at the rate of more than a million per month will need, and have a right to expect from their National Government, an effective job-counseling and placement service. These problems and responsibilities cannot, in a period when millions of veterans and other workers are moving across State lines, be met adequately through 51 separate and independent public employment service systems, linked only by the necessarily remote and indirect influence of a Federal agency financing the State systems through grants-in-aid.

"For these reasons, I now repeat my recommendation that the transfer of our public employment offices to State operation be postponed until June 1947. The administration is committed to returning the service to State operation, and that commitment will be carried through. But this is not the time.

"Apart from the timing of the transfer, the provisions of H. R. 4407 which govern the basis for Federal-State cooperation in the maintenance of public employment offices do not assure that an adequate service will be available in all States.

"The bill provides for the operation of public employment offices by the States under rules and regulations prescribed by the Secretary of Labor to carry out the provisions of the Wagner-Peyser Act. Operating costs would be met entirely by the Federal Government.



These provisions of the bill would remain in effect for only a few months—the balance of the current fiscal year.

“The bill precludes the granting of funds to any State which is unable, or unwilling, to comply with the provisions of the bill or any requirement of the Secretary of Labor pursuant to the provisions of the bill.

“A Federal-State cooperative program for a national system of public employment offices financed entirely by Federal funds must at least provide assurance as to two basic objectives: The Federal Government must be sure that the essential services are being provided through the States’ employment offices, and it must know that the offices are being operated with reasonable efficiency. Under such a program, the Federal Government is not interested in prescribing minute or insignificant details concerning the State operation, but it does have a stake in the preservation of reasonable standards.

“H. R. 4407 provides no effective protection for this national interest. If any State, for any reason, cannot or does not meet the minimum requirements, Federal grants cannot be made. But at the same time the Federal Government itself is precluded from continuing the operation of public employment office facilities in the State.

“This means, in effect, that when there is a substantial failure to provide essential services or to meet minimum standards of efficiency, the Federal Government must choose between two alternatives which are both unsatisfactory. It must either acquiesce in the substandard operation—or, by withholding funds, it must deprive all of the State’s employers, workers, and veterans of a service they need and to which they are entitled.

“At a time of such acute emergency—when employment offices are needed to provide veterans with the services with which the Congress has required they be provided, and needed also to assist other unemployed workers in securing peacetime jobs—I cannot approve legislation which, under some conditions, may offer only a choice between a substantially substandard service or no service at all.

“It seems clear to me that a matter of such grave importance as our public-employment system deserves not only permanent legislation, but legislation carefully and separately considered. Issues of such a difficult and vital nature should not be dealt with as riders to appropriation bills.

“The fact is that our present legislation governing the operation of our cooperative Federal-State employment service system, enacted in 1933, needs thorough revision in the light of changed conditions. Several bills now pending before both Houses of Congress—H. R. 4437, S. 1456, and S. 1510—are designed to accomplish this. Enactment of such permanent legislation is essential before a transfer back to State operation can be achieved in an efficient and orderly manner.

“Adequate and uniform standards of service must be maintained and proper security for the personnel of the organization itself must be provided in a permanent way, if it is to keep and attract the caliber of personnel able and eager to perform its important tasks.

“Only in this way can we provide a sound and permanent basis for Federal-State cooperation in the maintenance of a postwar system of public employment offices which will meet the needs of veterans, employers, workers, and the Nation as a whole.

"While I object to the specific measure which this bill proposes to carry out with respect to our employment service, I object even more strongly to the legislative method employed for its enactment. To attach a legislative rider to an appropriation bill restricts the President's exercise of his functions and is contrary to good government.

"In view of my past legislative experience, I realize the obligations of the President to the Congress as a coordinate branch of the Government. At the same time, I must be equally aware of the constitutional responsibility of the President to the people, and of the obligation of the Congress to help him discharge that responsibility.

"The Constitution has placed upon the President the duty of considering bills for approval or disapproval. It has always been possible for the Congress to hamper the President's exercise of this duty by combining so many subjects into a single bill that he cannot disapprove an objectionable item without holding up necessary legislation.

"Partly in order to prevent this practice, it has long been considered a fundamental principle that legislation on a major issue of policy ought not be combined with an appropriation measure. The present bill directly violates that principle. I am obliged to withhold my approval to some very excellent legislation because of the objectionable practice which has been followed by attaching this rider which I cannot possibly approve."

It is the judgment of the committee that the enactment of the accompanying measure should not be further delayed or jeopardized. Legislation dealing with the return of the employment services to the States (H. R. 4437) is now under consideration by the House.







79<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

Union Calendar No. 452

# H. R. 5158

[Report No. 1500]

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 1946

Mr. CANNON of Missouri introduced the following bill; which was referred to the Committee on Appropriations

JANUARY 29, 1946

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

## A BILL

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the appropriations and contractual authorizations of  
4       the departments and agencies available in the fiscal year  
5       1946, and prior year unreverted appropriations, are hereby  
6       reduced in the sums hereinafter set forth, such sums to be  
7       carried to the surplus fund and covered into the Treasury  
8       immediately upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$3,884,400, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from "\$234,-  
10 000" to "\$180,000", (2) reimbursement to employees  
11 for emergency or extraordinary expenses from "\$75,-  
12 000" to "\$47,500", and (3) expenses of a confi-  
13 dential character from "\$1,200,000" to "\$100,000".

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from "\$452,500" to "\$150,000",  
21 (2) printing and binding from "\$47,500" to "\$14,000"  
22 (of which the amount available outside continental  
23 United States is decreased from "\$1,800" to "\$500"),  
24 and (3) penalty mail costs from "\$118,900" to  
25 "\$53,000".

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),



1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3           Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6           Migration of workers, \$479,000.

7       War Production Board:

8           Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      Travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to "\$105,-  
12      000", (3) printing and binding from "\$648,000" to  
13      "\$346,000", and (4) salary of the head of the agency  
14      from "\$15,000" to "\$12,000", except that so long as  
15      the position is held by the present incumbent the salary  
16      shall remain at \$15,000.

17      War Shipping Administration:

18          Revolving fund, \$195,452,000.

19          Maritime training fund, \$25,000,000.

20          Marine and war risk insurance fund, revolving fund,  
21      \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24          Salaries and expenses, \$25,929,000, and limitations

under this head are hereby decreased as follows: (1) Printing and binding from “\$1,470,000” to “\$961,064”, (2) traveling expenses from “\$7,949,700” to “\$6,780,000”, and (3) penalty mail costs from “\$5,210,550” to “\$3,085,000”.

Office of Strategic Services:

Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from “\$10,500,000” to “\$3,000,000”, and (2) expenditures for objects of a confidential nature from “\$10,000,000” to “\$2,750,000”.

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from “\$250,000” to “\$125,000”, and (2) travel expenses from “\$263,700” to “\$100,000”.

In all, Office for Emergency Management, \$440,794,164.

EMERGENCY FUNDS APPROPRIATED TO THE

PRESIDENT

Emergency fund for the President, national defense, \$45,000,000.

1        Defense aid—lend-lease:

2        (1) Ordnance and ordnance stores, supplies, spare  
3 parts, and materials, \$57,990,000.

4        (2) Aircraft and aeronautical material, \$85,705,000.

5        (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8        (4) Vessels, ships, boats, and other watercraft,  
9 \$76,080,000.

10       (5) Miscellaneous military equipment, supplies and ma-  
11 terials, \$8,963,000.

12       (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15       (7) Agricultural, industrial, and other commodities and  
16 articles, \$1,351,216,000, and the \$500,000,000 made avail-  
17 able by title II of the Second Deficiency Appropriation Act,  
18 1945, as a reserve for expenditure for postwar price support  
19 of agriculture shall be paid to the Commodity Credit Corpo-  
20 ration and continued as a reserve fund for expenditure, as  
21 and when necessary, for the postwar price support of  
22 agriculture.

23       (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good working



1 order any defense articles for the government of any country  
2 whose defense the President deems vital to the defense of  
3 the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

## 9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national  
16 defense), \$465,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund,  
24 Act June 29, 1936, revolving fund, \$496,500,000.

## 1 FEDERAL SECURITY AGENCY

## 2 Public Health Service:

3 Health and sanitation activities, war and defense  
4 areas (national defense), \$392,568.

5 Malaria and diseases of tropical origin (national  
6 defense), \$1,862,501.

7 Training for nurses (national defense), \$15,557,-  
8 000, and the limitation on the amount which may be  
9 expended for administrative expenses is hereby decreased  
10 from "\$788,255" to "\$611,322".

## 11 FEDERAL WORKS AGENCY

12 Office of the Administrator: War public works (com-  
13 munity facilities), \$13,700,000.

## 14 Public Buildings Administration:

15 Emergency safeguarding of public buildings and  
16 property, \$750,000.

17 Construction of temporary office buildings, Washing-  
18 ton, District of Columbia, unobligated balance.

19 Public Roads Administration: Flight strips (national de-  
20 fense), \$318,008.

## 21 NATIONAL HOUSING AGENCY

## 22 Office of the Administrator:

23 War housing, \$74,355,000.

24 War housing in and near the District of Columbia,  
25 \$3,372,000.

1 Reserves: From the reserve account established by the  
2 National Housing Administrator in the Treasury pursuant  
3 to section 303 of Public Law 849, Seventy-sixth Congress,  
4 approved October 14, 1940, as amended, \$50,000,000.

5 Section 303 of the Act of October 14, 1940, as amended  
6 (42 U. S. C. 1521), is hereby amended by inserting “(a)”  
7 after the figures “303”, and adding the following new sub-  
8 sections:

9 “(b) Moneys derived by the National Housing Admin-  
10 istrator from the disposition of property, or from the removal  
11 of temporary housing, acquired or constructed under the  
12 provisions of this Act, of Public Laws Numbered 9, 73,  
13 and 353, Seventy-seventh Congress, and of section 201 of  
14 the Second Supplemental National Defense Appropriation  
15 Act, 1941, as amended, shall be available for expenses of  
16 disposition and removal, including the establishment of nec-  
17 essary reserves therefor and administrative expenses in con-  
18 nection therewith: *Provided*, That moneys derived by said  
19 Administrator from the disposition of any such property or  
20 the removal of any such temporary housing may be deposited  
21 in a common fund account or accounts in the Treasury:  
22 *And provided further*, That except for necessary reserves  
23 authorized by this Act or by section 201 of the Second Sup-  
24 plemental National Defense Appropriation Act, 1941, as



1 amended, the unobligated balances of the moneys deposited  
2 into the Treasury from the disposition of any such property  
3 or the removal of any such temporary housing shall be  
4 covered at the end of each fiscal year into miscellaneous  
5 receipts.

6 “(c) Moneys in the reserve account established by  
7 the National Housing Administrator pursuant to subsections  
8 (a) and (b) of this section 303 shall not exceed \$25,000,000  
9 at any time: *Provided*, That all moneys in said account  
10 shall be covered into miscellaneous receipts not later than  
11 two years after the President shall have declared that the  
12 emergency declared by him on September 8, 1939, has  
13 ceased to exist.”

14 In all, independent offices, \$666,040,849.

## 15 EXECUTIVE DEPARTMENTS

### 16 [Non-War]

#### 17 DEPARTMENT OF AGRICULTURE

18 Emergency rubber project, \$1,649,790, and the balance  
19 remaining shall be used to liquidate such project, including  
20 the elimination of the remaining plantations, the rehabili-  
21 tation and return of leased lands to the owners and the dis-  
22 posal of other property according to law, and for the  
23 continuation of the production, breeding, and disease phases  
24 of guayule research on indicator plots and experimental

1 areas until June 30, 1946: *Provided*, That any balances  
2 remaining shall be available until December 31, 1946, for  
3 completing the liquidation of the emergency rubber project.

4 War Food Administration: Salaries and expenses, \$3,-  
5 116,894.

6 Emergency supplies for Territories and possessions,  
7 \$25,000,000.

8 The following appropriations shall be so administered  
9 as to avoid the incurrence of deficiencies therein except for  
10 such added expense occasioned by the Federal Employees  
11 Pay Act of 1945 as it may not be practicable to absorb,  
12 namely:

13 Bureau of Agricultural Economics, salaries and expenses  
14 (crop and livestock estimates).

15 Office of Foreign Agricultural Relations, salaries and  
16 expenses.

17 Agricultural Research Administration:

18 Bureau of Animal Industry, salaries and expenses  
19 (meat inspection) ;

20 Bureau of Plant Industry, Soils, and Agricultural  
21 Engineering, salaries and expenses (fruit, vegetable, and  
22 specialty crops) ;

23 Bureau of Entomology and Plant Quarantine,  
24 salaries and expenses (foreign plant quarantine).

1 Forest Service:

2 Salaries and expenses (national forest protec-  
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National  
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-  
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered as  
11 to avoid the incurrence of deficiencies therein except for such  
12 added expense occasioned by the Federal Employees Pay  
13 Act of 1945 as it may not be practicable to absorb, namely:

14 Coast and Geodetic Survey, salaries and expenses,  
15 departmental;

16 Patent Office, salaries;

17 Weather Bureau, salaries and expenses.

18 DEPARTMENT OF THE INTERIOR

19 Office of the Secretary: Salaries and expenses, Division  
20 of Geography, \$13,000.

21 War Relocation Authority: Salaries and expenses, War  
22 Relocation Authority, Department of the Interior, \$2,500,-  
23 000.

24 Office of Fishery Coordination: Salaries and expenses,  
25 \$57,000.



1 Solid Fuels Administration for War:

2 Salaries and expenses, \$275,000, and on April 1,  
3 1946, the sum of \$150,000 of said appropriation shall be  
4 transferred to the appropriation "Economics of mineral  
5 industries", Bureau of Mines, and the limitation in said  
6 latter appropriation for personal services in the District  
7 of Columbia shall be increased from "\$397,500" to  
8 "\$529,000".

9 Bureau of Mines

10 Enforcement of Federal Explosives Act, \$27,900.

11 Investigation of raw-material resources for steel produc-  
12 tion (national defense), \$180,000.

13 Construction and equipment of helium plants, \$260,000.

14 Manganese beneficiation pilot plants and research (na-  
15 tional defense), \$50,000.

16 Production of alumina from low-grade bauxite, alumi-  
17 num clays and alunite (national defense), \$200,000.

18 Investigation of bauxite and alunite ores and aluminum  
19 clay deposits (national defense), \$350,000.

20 Magnesium pilot plants and research (national defense),  
21 \$150,000.

22 Investigation of deposits of critical and essential minerals  
23 in the United States and its possessions (national defense),  
24 \$420,000.

## 1 GOVERNMENT IN THE TERRITORIES

2 Emergency fund, Territories and island possessions  
3 (national defense), \$332,000.

## 4 DEPARTMENT OF JUSTICE

5 Legal activities and general administration: Salaries  
6 and expenses, War Division, \$100,000.

7 Federal Bureau of Investigation: Salaries and expenses,  
8 detection and prosecution of crimes (emergency), \$1,240,-  
9 000.

## 10 DEPARTMENT OF LABOR

11 Office of the Secretary:

12 Salaries and expenses (national defense), \$1,388.

13 Salaries and expenses, safety and health program  
14 (national defense), \$60,000.

15 Children's Bureau:

16 Grants to States for emergency maternity and infant  
17 care (national defense), \$8,113,600: *Provided*, That  
18 such reduced amount shall not affect the amount to be  
19 allotted to the States for administrative expenses as  
20 authorized in the Department of Labor Appropriation  
21 Act, 1946.

## 22 WAR DEPARTMENT

23 The Panama Canal: Maintenance and operation of the  
24 Panama Canal, \$5,000,000.

1 In all, executive departments, \$54,107,572.

2 In all, title I, \$2,945,503,585.

3 Miscellaneous Provisions, Title I

4 REDUCTIONS IN CONTRACT AUTHORIZATIONS

5 Contract authorizations of the departments and agencies  
6 available in the fiscal year 1946 are hereby reduced in the  
7 sums hereinafter set forth:

8 EXECUTIVE OFFICE OF THE PRESIDENT

9 Emergency funds appropriated to the President: De-  
10 fense aid—lend-lease, \$600,000,000.

11 INDEPENDENT OFFICES

12 United States Maritime Commission: Construction fund.  
13 Act June 29, 1936, revolving fund, \$325,900,000.

14 FEDERAL WORKS AGENCY

15 Public Roads Administration:

16 Strategic highway network, \$1,484,363.

17 Access roads, \$2,576,845.

18 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

19 EXPENSES

20 Limitations on amounts from funds of corporations and  
21 other agencies for administrative expenses are hereby reduced  
22 in the following sums:

23 EXECUTIVE OFFICE OF THE PRESIDENT

24 Office for Emergency Management: Foreign Eco-



1 nomic Administration, Rubber Development Corporation,  
2 \$249,500.

3 War Shipping Administration:

4 Revolving fund, \$4,312,000.

5 Maritime training fund, \$519,357.

6 INDEPENDENT OFFICES

7 Smaller War Plants Corporation:

8 Administrative expenses, \$1,550,000, and the limi-  
9 tation under this head on the amount of penalty-mail  
10 costs is hereby decreased from "\$50,000" to "\$40,000".

11 United States Maritime Commission:

12 Construction fund, Act June 29, 1936, revolving  
13 fund, \$2,687,450.

14 EXTENDING AVAILABILITY OF APPROPRIATIONS

15 The following appropriations for the fiscal year 1946 are  
16 hereby continued available until June 30, 1946, except as  
17 modified in this title.

18 Executive Office of the President:

19 Bureau of the Budget, national defense activities.

20 Independent Offices:

21 Civil Service Commission, salaries and expenses  
22 (national defense).

23 Federal Communications Commission, salaries  
24 and expenses (national defense).

1 Federal Power Commission: National defense  
2 activities.

3 Federal Security Agency:

4 Office of the Administrator:

5 Salaries and expenses, Office of Community  
6 War Services;

7 Expenses, temporary aid to enemy aliens and  
8 other restricted persons.

9 Department of the Interior:

10 Office of the Secretary:

11 Salaries and expenses, Division of Geography,  
12 Department of the Interior.

13 CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Office for Emergency Management:

16 Office of Inter-American Affairs: The Director of  
17 the Office of Inter-American Affairs is hereby directed  
18 to deposit in the Treasury of the United States as miscel-  
19 laneous receipts the following sums representing excess  
20 funds of corporations created by the Coordinator of  
21 Inter-American Affairs under authority of law:

22 Institute of Inter-American Transportation,  
23 \$315,500.

24 Prencinradio, Incorporated, \$875,000.

# 1 GENERAL PROVISIONS

2 In order to accomplish the liquidation of any tem-  
3 porary agency of the Government created to perform func-  
4 tions in connection with the national security and defense,  
5 there may be transferred to such liquidating agency as the  
6 President may designate such amount from the funds of the  
7 agency to be liquidated as the Bureau of the Budget shall  
8 determine is necessary therefor.

9 TITLE II—MILITARY ESTABLISHMENT

10      Office of Secretary of War:

11 Contingencies of the Army, 1942-1946, \$12,829,-  
12 151.

13           Expediting Production of Equipment and Supplies  
14       for National Defense, 1940-1946, \$282,892,000.

15      General Staff Corps:

16 Contingent Fund, Chief of Staff, 1942-1946, \$124,-  
17 335,489.

18 Special Field Exercises, Army, 1942-1946, \$51,-  
19 246,874.

20 Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$36,000; and (2) Apprehension of deserters, \$171,000.



1       Quartermaster Corps:

2           Quartermaster Service, Army, 1942-1946, \$3,919,-  
3       838,479, and subappropriations under this head are  
4       hereby decreased as follows: (1) Welfare of enlisted  
5       men, \$5,000,000; (2) subsistence of the Army,  
6       \$1,762,081,479; (3) regular supplies of the Army,  
7       \$541,018,000; (4) clothing and equipage, \$1,563,-  
8       225,000; (5) horses, draft and pack animals,  
9       \$1,514,000; and (6) Army transportation, \$47,-  
10      000,000.

11      Transportation Corps:

12           Transportation Service, Army, 1945-1946, \$704,-  
13      268,000.

14      Signal Corps:

15           Signal Service of the Army, 1942-1946, \$1,675,-  
16      684,000.

17      Air Corps:

18           Air Corps, Army, 1942-1946, \$11,799,313,000:  
19      *Provided*, That before any permanent fields are deter-  
20      mined upon or permanent buildings erected thereon the  
21      Air Corps shall submit to Congress a list of such fields  
22      and the justification therefor.

1 Medical Department:

2 Medical and Hospital Department, Army, 1942-  
3 1946, \$267,539,000.

4 Corps of Engineers:

5 Engineer Service, Army, 1942-1946, \$2,306,-  
6 763,000, and subappropriations under this head are  
7 hereby decreased as follows: (1) Engineer Service,  
8 \$2,011,648,000; (2) Military posts, \$148,255,000;  
9 and (3) Barracks and quarters, Army, \$146,860,000.

10 Ordnance Department:

11 Ordnance Service and Supplies, Army, 1942-1946,  
12 \$8,100,000,000.

13 Chemical Warfare Service:

14 Chemical Warfare Service, Army, 1942-1946,  
15 \$997,870,000.

16 Special Service Schools:

17 Special Service Schools, Army, 1942-1946, \$178,-  
18 000, and subappropriations under this head are hereby  
19 decreased as follows: (1) Infantry School, \$81,000;  
20 (2) Cavalry activities, \$22,700; and (3) Field Ar-  
21 tillery activities, \$74,300.

22 Seacoast defenses:

23 Seacoast defenses, general, 1942-1946, \$1,664,000.

24 United States Military Academy: Pay of Military  
25 Academy, 1942-1946, \$21,000.

1 Inter-American Relations, War Department: Inter-  
 2 American Relations, War Department, 1943-1946, \$75,000.

3 Office of the Secretary:

4 Contingent expenses, War Department, 1942-1946,  
 5 \$1,200,000.

6 Printing and binding, War Department, 1942-1946,  
 7 \$18,000,000.

8 TRANSFER OF APPROPRIATIONS

9 In addition to the transfers authorized by section 3 of  
 10 the Military Appropriation Act, 1946, transfers of not to  
 11 exceed the amounts hereinafter set forth may be made, with  
 12 the approval of the Bureau of the Budget, from the appro-  
 13 priation "Ordnance Service and Supplies, Army", to the  
 14 following appropriations:

15 Army War College, \$23,819;

16 Command and General Staff School, Fort Leavenworth,  
 17 Kansas, \$30,189;

18 Quartermaster Service, Army, \$7,881,967;

19 Rock Island Bridge, Rock Island, Illinois, \$5,719;

20 Instruction in armored force activities, \$389,756;

21 Maintenance and Operation, United States Military  
 22 Academy, \$1,323,884;

23 Army of the Philippines, \$200,000,000: *Provided*,  
 24 That service in the organized military forces of the Govern-  
 25 ment of the Commonwealth of the Philippines, while such



1 forces were in the service of the armed forces of the United  
2 States pursuant to the military order of the President of the  
3 United States dated July 26, 1941, shall not be deemed to  
4 be or to have been service in the military or naval forces of  
5 the United States or any component thereof for the purposes  
6 of any law of the United States conferring rights, privileges,  
7 or benefits upon any person by reason of the service of such  
8 person or the service of any other person in the military or  
9 naval forces of the United States or any component thereof,  
10 except benefits under (1) the National Service Life Insur-  
11 ance Act of 1940, as amended, under contracts heretofore  
12 entered into, and (2) laws administered by the Veterans'  
13 Administration providing for the payment of pensions on  
14 account of service-connected disability or death: *Provided*  
15 *further*, That such pensions shall be paid at the rate of one  
16 Philippine peso for each dollar authorized to be paid under  
17 the laws providing for such pensions: *Provided further*,  
18 That any payments heretofore made under any such law to  
19 or with respect to any member of the military forces of the  
20 Government of the Commonwealth of the Philippines who  
21 served in the service of the armed forces of the United States  
22 shall not be deemed to be invalid by reason of the circum-  
23 stances that his service was not service in the military or  
24 naval forces of the United States or any component thereof  
25 within the meaning of such law.

## GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

## TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

- 1        Naval emergency fund:
- 2            Fiscal year 1945, \$25,477.
- 3            Fiscal year 1946, \$3,000,000.
- 4        Naval Research Laboratory:
- 5            Fiscal year 1944, \$5,185.
- 6            Fiscal year 1945, \$3,002.
- 7            Fiscal year 1946, \$90,000.
- 8        Operation and conservation of naval petroleum reserves:
- 9            Fiscal year 1944, \$6,986.
- 10          Fiscal year 1945, \$6,353.
- 11          Fiscal year 1946, \$18,000.
- 12        Ocean and lake surveys, Navy:
- 13            Fiscal year 1944, \$6,677.
- 14            Fiscal year 1945, \$21,298.
- 15        Bureau of Naval Personnel:
- 16        Naval War College:
- 17            Fiscal year 1944, \$4,521.
- 18            Fiscal year 1945, \$2,886.
- 19        Naval Training Station, San Diego, California:
- 20            Fiscal year 1944, \$232,338.
- 21            Fiscal year 1945, \$327,515.
- 22        Naval Training Station, Newport, Rhode Island:
- 23            Fiscal year 1944, \$823.
- 24            Fiscal year 1945, \$256.



1 Naval Training Station, Great Lakes, Illinois:

2 Fiscal year 1944, \$459,244.

3 Fiscal year 1945, \$29,510.

4 Fiscal year 1946, \$700,000.

5 Naval Training Station, Norfolk, Virginia:

6 Fiscal year 1944, \$4,488.

7 Fiscal year 1945, \$14,879.

8 Naval Training Station, Lake Pend Oreille, Idaho:

9 Fiscal year 1944, \$54,790.

10 Fiscal year 1945, \$604,708.

11 Naval Training Station, Lake Seneca, New York:

12 Fiscal year 1944, \$38,894.

13 Fiscal year 1945, \$3,209.

14 Naval Training Station, Port Deposit, Maryland:

15 Fiscal year 1945, \$2,794.

16 Fiscal year 1946, \$500,000.

17 Fleet training, Navy:

18 Fiscal year 1944, \$11,108.

19 Fiscal year 1945, \$164,695.

20 Fiscal year 1946, \$78,000.

21 Instruction, Navy:

22 Fiscal year 1944, \$2,151,364.

23 Fiscal year 1945, \$120,000.

24 Fiscal year 1946, \$6,000,000.

## 1       Libraries, Navy:

2                Fiscal year 1944, \$145,920.

3                Fiscal year 1945, \$1,693.

4                Fiscal year 1946, \$1,252,935.

## 5       Welfare and recreation, Navy:

6                Fiscal year 1944, \$903,681.

7                Fiscal year 1946, \$4,124,000.

## 8       Naval Reserve Officers' Training Corps:

9                Fiscal year 1944, \$237,300.

10               Fiscal year 1945, \$88,337.

## 11       Miscellaneous expenses, Bureau of Naval Personnel:

12               Fiscal year 1944, \$3,009.

13               Fiscal year 1945, \$124.

14               Fiscal year 1946, \$20,000.

## 15       Naval Reserve:

16               Fiscal year 1944, \$54,961,800.

17               Fiscal year 1945, \$24,511,154.

18               Fiscal year 1946, \$38,262,000.

## 19       Pay, Naval Academy:

20               Fiscal year 1944, \$88,394.

21               Fiscal year 1945, \$93,796.

## 22       Maintenance, Naval Academy:

23               Fiscal year 1944, \$6,877.

24               Fiscal year 1945, \$2,529.

1        Naval Home, Philadelphia, Pennsylvania:

2            Fiscal year 1944, \$610.

3            Fiscal year 1945, \$1,250.

4        Naval prison farms and prison personnel:

5            Fiscal year 1944, \$10.

6            Fiscal year 1945, \$5,100.

7        Bureau of Ships:

8            Maintenance, Bureau of Ships:

9            Fiscal year 1942, \$43,907,135.

10          Fiscal year 1942-43, \$51,956,375.

11          Fiscal year 1943, \$64,050,351.

12          Fiscal year 1944, \$52,247,000.

13          Fiscal year 1945, \$118,474,000.

14          Fiscal year 1946, \$1,468,000,000.

15        Defense installations on merchant vessels, Navy.

16        \$13,658,123.

17        Bureau of Ordnance:

18          Ordnance and ordnance stores, Navy:

19          Fiscal year 1944, \$551,226,542.

20          Fiscal year 1945, \$1,208,752,767.

21          Fiscal year 1946, \$2,575,225,500.

22        Bureau of Supplies and Accounts:

23          Pay, subsistence, and transportation, Navy, 1944,

24        \$69,247,269.



1 Pay and subsistence of naval personnel, 1946, \$1,317,-  
2 369,200.

3 Maintenance, Bureau of Supplies and Accounts, 1946,  
4 \$81,314,000.

5 Transportation of things, Navy, 1946, \$140,036,282.

6 Fuel, Navy, 1946, \$100,000,000.

7 Bureau of Medicine and Surgery:

8 Medical Department, Navy:

9 Fiscal year 1944, \$14,017,195.

10 Fiscal year 1945, \$12,238,592.

11 Fiscal year 1946, \$30,000,000.

12 Bureau of Yards and Docks:

13 Maintenance, Bureau of Yards and Docks:

14 Fiscal year 1944, \$2,431,496.

15 Fiscal year 1945, \$3,139,211.

16 Fiscal year 1946, \$5,000,000.

17 Public Works, Bureau of Yards and Docks, \$400,000,-  
18 000, and the contract authorization for "Public Works,  
19 Bureau of Yards and Docks" available in the fiscal year  
20 1946 is hereby reduced in the sum of \$1,248,510,540: *Pro-*  
21 *vided*, That the rescission of \$400,000,000 of the appropria-  
22 tion shall not act to reduce further the contract authority:  
23 *Provided further*, That of this amount \$946,000,000 shall  
24 apply against advance base construction, material, and equip-  
25 ment: *Provided further*, That of the funds remaining avail-

1 able for advance base construction, material, and equipment,  
2 not to exceed \$6,000,000 shall be available toward recon-  
3 struction of the civilian economy of Guam.

4 Bureau of Aeronautics:

5 Aviation, Navy:

6 Fiscal year 1943, \$256,482,489.

7 Fiscal year 1943-44, \$193,929,557.

8 Fiscal year 1944, \$811,987,405.

9 Fiscal year 1945, \$1,468,753,102.

10 Fiscal year 1946, \$1,359,367,650, and subappro-  
11 priations under this head are hereby decreased as fol-  
12 lows: (1) New construction and procurement of aircraft  
13 and equipment, spare parts, and so forth, from "\$799,-  
14 128,500" to "\$128,116,900", (2) replacement of navi-  
15 gational and radio equipment for aircraft in service, and  
16 so forth, from "\$168,808,200" to "\$44,934,000", and  
17 (3) maintenance, repair, and operation of aircraft fac-  
18 tory, air stations, and so forth, from "\$1,431,840,800"  
19 to "\$800,374,950"; the subappropriation "continuing  
20 experiments and development work, and so forth," is  
21 hereby increased from "\$81,272,500" to "\$148,256,-  
22 500"; and the unobligated portion of the contract  
23 authorization provided under this head is hereby re-  
24 pealed.

1 Marine Corps:

2 Pay, Marine Corps:

3 Fiscal year 1944, \$40,521,480.

4 Fiscal year 1945, \$10,000,000.

5 Fiscal year 1946, \$69,913,260.

6 Pay of civil force, Offices of Commandant of Marine

7 Corps and Director of Personnel:

8 Fiscal year 1944, \$358.

9 Fiscal year 1945, \$174.

10 Pay of civil force, Office of Paymaster General, Marine

11 Corps:

12 Fiscal year 1944, \$330.

13 Fiscal year 1945, \$118.

14 Pay of civil force, Office of Quartermaster General,

15 Marine Corps:

16 Fiscal year 1944, \$844.

17 Fiscal year 1945, \$1,059.

18 General expenses, Marine Corps:

19 Fiscal year 1944, \$79,787,482.

20 Fiscal year 1945, \$56,737,554.

21 Fiscal year 1946, \$307,750,000.

22 Increase and replacement of naval vessels:

23 Increase and replacement of naval vessels, construc-

24 tion and machinery, \$732,104,151.



1           Increase and replacement of naval vessels, armor,  
2           armament and ammunition, \$276,876,967.

3           Increase and replacement of naval vessels, emer-  
4           gency construction, \$38,385,489: *Provided*, That the  
5           balances remaining of appropriations under "Increase  
6           and replacement of naval vessels" shall not be available  
7           for the period of the fiscal year 1946 subsequent to  
8           October 16, 1945, for beginning the construction of any  
9           new vessels, except, not to exceed \$24,100,000 may be  
10          available during the fiscal year 1946 against the con-  
11          struction of five advanced type combatant vessels and  
12          seventeen minor craft.

13          Repair facilities, Navy:

14                Repair facilities, Navy, \$38,266,050, and the con-  
15                tract authorization for "Repair facilities, Navy", avail-  
16                able in the fiscal year 1946 is hereby reduced in the  
17                sum of \$27,562,131.

18          Coast Guard:

19                Salaries, Office of Commandant, United States Coast  
20                Guard:

21                      Fiscal year 1944, \$219.

22                      Fiscal year 1945, \$133,293.

23                Pay and allowances, Coast Guard:

24                      Fiscal year 1944, \$35,006,326.

- 1 Fiscal year 1945, \$8,658,922.
- 2 Fiscal year 1946, \$80,000,000.
- 3 General expenses, Coast Guard:
- 4 Fiscal year 1944, \$631,865.
- 5 Fiscal year 1945, \$1,289,896.
- 6 Fiscal year 1946, \$20,000,000.
- 7 Civilian employees, Coast Guard:
- 8 Fiscal year 1944, \$109,654.
- 9 Fiscal year 1945, \$200,633.
- 10 Establishing and improving aids to navigation, Coast
- 11 Guard, \$346,000.
- 12 Acquisition of vessels and shore facilities, Coast Guard,
- 13 \$2,741,000.
- 14 Retired pay, former Lighthouse Service, Coast Guard:
- 15 Fiscal year 1944, \$73,320.
- 16 Fiscal year 1945, \$48,109.
- 17 Salaries, Merchant Marine Inspection, Coast Guard,
- 18 1945, \$25,536.
- 19 Salaries and expenses, Merchant Marine Inspection,
- 20 Coast Guard:
- 21 Fiscal year 1944, \$899,401.
- 22 Fiscal year 1945, \$373,270.
- 23 Emergency construction, vessels and shore facilities,
- 24 Coast Guard (Navy), \$231,000.

1 Special projects, vessels, Coast Guard (Navy),  
2 \$127,000.

3 Special projects, aids to navigation, Lighthouse Service,  
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard  
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.



1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-  
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

1           Fiscal year 1945, \$94,942.

2           Fiscal year 1946, \$413,000.

3           Contingent and miscellaneous expenses, Naval Ob-  
4 servatory:

5           Fiscal year 1944, \$572.

6           Fiscal year 1945, \$40.

7                           GENERAL PROVISIONS

8           Provisions of law prohibiting the payment of compen-  
9 sation to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment dur-  
11 ing the fiscal year ending June 30, 1946.

12          Notwithstanding the provisions of section 10 of the  
13 Pay Readjustment Act of 1942 (56 Stat. 364), the Secre-  
14 tary of the Navy is authorized and directed to issue in kind  
15 one dress blue uniform and overcoat to each enlisted man  
16 in the naval service upon his return to the United States  
17 from sea and foreign shore duty for separation from the  
18 naval service upon the sworn statement of such enlisted  
19 man that these articles of clothing are not now in his pos-  
20 session by reason of compliance with orders of higher naval  
21 authority or other exigencies of the service beyond his con-  
22 trol and that no claim for reimbursement will be filed for  
23 the value of such articles so replaced: *Provided*, That the  
24 value of such articles of clothing shall be charged to the



1 clothing and small-stores fund. The authority contained  
2 herein shall terminate on September 30, 1946.

3 Personnel of the Naval Reserve, not qualified for sea  
4 duty, will, upon their application, be placed on inactive  
5 duty if surplus to requirements.

6 The dependents and household effects of such civilian  
7 and naval personnel of the Naval Establishment (without  
8 regard to rank or grade) on duty at locations outside the  
9 continental limits of the United States, or in Alaska, as  
10 may be determined upon by the Secretary of the Navy,  
11 may prior or subsequent to the issuance of orders for the  
12 relief of such personnel from their stations, or subsequent  
13 to the discharge or release of such personnel from active  
14 service, be moved (including packing and unpacking of  
15 household effects) from such locations outside the conti-  
16 nental limits of the United States, or in Alaska, to such  
17 locations as may be designated by such personnel, or de-  
18 pendants concerned, by the use of either Government or  
19 commercial means of transportation, and later from such  
20 locations to the duty station to which such personnel may  
21 be ordered, and current appropriations of the Navy Establish-  
22 ment available for travel and transportation may be used  
23 for this purpose. In lieu of the transportation in kind  
24 authorized for dependents, the Secretary of the Navy may

1 authorize the payment in money of amounts equal to the  
2 commercial transportation costs (including taxes if paid),  
3 for the whole or such part of the travel for which trans-  
4 portation in kind is not furnished when such travel shall  
5 have been completed.

6 In all, title III, \$14,370,159,964.

7 GENERAL PROVISION

8 The officer and enlisted personnel strengths of the Army,  
9 Navy, Marine Corps, and Coast Guard shall be demobilized  
10 at a rate not less than would be necessary to keep within the  
11 amounts available for their pay in consequence of the pro-  
12 visions of this Act, unless the President otherwise shall direct.

13 Effective December 1, 1945, no military or naval per-  
14 sonnel shall receive during the remainder of the current fiscal  
15 year aviation pay unless the person affected is assigned to  
16 duty on air activities prescribed by the Secretary of War  
17 or the Secretary of the Navy as requiring regular and fre-  
18 quent participation in aerial flights, or is required to partici-  
19 pate regularly and frequently in aerial flights in order to  
20 continue his fitness for his primary technical skill: *Provided,*  
21 That in addition, on or before January 1, annually, the  
22 Secretaries of War and Navy, respectively, shall certify to  
23 the Congress by rank and age group the number of such  
24 officers above the rank of major of the Army or lieutenant  
25 commander of the Navy, with the average monthly flight

1 pay authorized by law to be paid to such officers during  
2 the six-month period preceding the date of the report: *Pro-*  
3 *vided further*, That the Secretary of War and the Secretary  
4 of the Navy shall on or before January 3, 1946, submit to  
5 the Congress a joint recommendation for revision of the  
6 Pay Readjustment Act of 1942, as amended, including but  
7 not restricted to recommendations with respect to increases  
8 authorized for flying pay, parachute pay, glider pay, sub-  
9 marine pay, and similar special pay and allowances.

10 SEC. 301. This Act may be cited as the "First Supple-  
11 mental Surplus Appropriation Rescission Act, 1946".



[Report No. 1500]

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# A BILL

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Reducing certain appropriations and contract  
authorizations available for the fiscal year  
1946, and for other purposes.

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By Mr. CANNON of Missouri

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JANUARY 17, 1946

Referred to the Committee on Appropriations

JANUARY 29, 1946

Committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued January 31, 1946, for actions of Wednesday, January 30, 1946)

(For staff of the Department only)

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HIGHLIGHTS: House passed appropriations-rescission bill without amendment (same as vetoed bill except USES item). Sen. Johnston (S.C.) said inclusion of farm labor under FEPC is impracticable and spoke favoring more adequate ceiling prices on finished cotton products if a ceiling is to be placed on cotton. Senate committee reported inter-American coffee and international sugar protocols.

HOUSE

1. APPROPRIATIONS-RESCISSION BILL. Passed without amendment this bill, H.R. 5158 (pp. 605-7, 611-9). The bill includes the following rescissions:
  - WFA salaries and expenses, \$3,116,894.
  - Emergency supplies for territories and possessions, \$25,000,000.
  - Emergency rubber project, \$1,649,790, with provision that the balance shall be used to liquidate the project, including elimination of remaining plantations, rehabilitation and return of leased lands and disposal of property, and continuation of research until June 30, 1946; provided that balances shall be available until Dec. 31, 1946, to complete the liquidation of the project.
  - FEA, \$3,884,400.
  - ODT, \$3,075,000.
  - Office of Economic Stabilization, \$53,780.
  - Office of Scientific Research and Development, \$56,101,792.
  - Emergency fund for the President, \$45,000,000.
  - Lend-lease, including \$1,351,216,000 for agricultural and other commodities with provision that the \$500,000,000 price-support fund shall be paid to CCC and continued as a reserve fund; \$600,000,000 contract authorizations.
  - Civil Service Commission, \$2,032,000.
  - Public Buildings Administration, \$750,000.
  - War housing, \$74,355,000.
  - Provision for transfer of funds to agencies liquidating temporary agencies.
  - Provision that crop and livestock estimates (BAE); OFAR; meat inspection (BAI); fruit, vegetable, and specialty crops (BPISAE); foreign plant

quarantine (BEFQ); national forest protection and management (FS); and forest-fire cooperation (FS) appropriations shall be so administered as to avoid deficiencies except for Pay Act expenses which can't be absorbed.

During the debate Rep. Dworshak, Idaho, stated that now is the time to reduce the number of Federal employees and inserted a CSC table showing the number of employees by years, 1939-45, and the amount of the payroll (pp. 612-3).

2. LABOR. The Rules Committee reported a resolution for the consideration of H.R. 4908, the labor fact-finding bill recommended by the President, and H.R. 5262, to provide additional facilities for the mediation of labor disputes (p. 620). Several members discussed the resolutions and provisions of the bills (pp. 607-10).
3. PRICE CONTROL. Rep. Johnson, Okla., criticized proposed OPA orders on cotton and watermelons (p. 600).  
Rep. Crawford, Mich., inserted a manufacturer's letter opposing further export of cotton goods and criticizing OPA controls (p. 601).  
Rep. Douglas, Calif., inserted an Independent Grocers Alliance letter favoring continuation of price control (p. 602).
4. FOOD PRODUCTION. Rep. Ellis, W. Va., called attention to the contribution of W. Va. in the production of food (p. 600).
5. FOREIGN LOAN. Received from the President a report on the financial relations of the U.S. with the United Kingdom, including a \$3,750,000,000 line of credit (p. 603).
6. SURPLUS PROPERTY. Rep. Bender, Ohio, criticized the administration of the Surplus Property Act (pp. 629-31).
7. SMALL BUSINESS. Rep. Kefauver, Tenn., criticized the transfer of SWPC functions to RFC and Commerce Department, and inserted a House Small Business Committee letter to OWMR setting forth the committee's objections (pp. 627-9).
8. ECONOMY; REORGANIZATION. Rep. Miller, Nebr., outlined his seventeen-point report to his constituents including the following recommendations for legislation: A balanced budget, reduction in Federal expenditures, expansion of rural electrification, balanced parity prices for farmers, elimination of duplication and extravagance in Government, and a clear-cut foreign policy (pp. 623-4).
9. PHYSICALLY HANDICAPPED Subcommittee. Rep. Kelley, Pa., reported on the work of this committee (pp. 624-5).
10. COMMITTEE ASSIGNMENT. Rep. Ludlow, Ind., was appointed to the Committee to Investigate Nonessential Federal Expenditures (p. 602).

#### SENATE

11. F.E.P.C. Continued debate on S. 101, the FEPC bill (pp. 577-98). During the debate Sen. Johnston, S.C., discussed the farm-labor situation in his state, stating that it would be impracticable to include it in this bill (p. 579), and spoke favoring more adequate ceiling prices on finished products containing cotton "if a ceiling price is to be placed on cotton" (pp. 584-5).
12. SUGAR. The Foreign Relations Committee reported Executive B, a protocol prolonging the international agreement regarding regulation of production and marketing of sugar (Exec. Rept. 2) (p. 575).



(i) The term "current transactions" shall have the meaning prescribed in Article XIX (1) of the Articles of Agreement of the International Monetary Fund.

(1) The term "sterling area" means the United Kingdom and the other territories declared by the Defence (Finance) Definition of the Sterling Area (No. 2) Order, 1944, to be included in the sterling area, namely "the following territories excluding Canada and Newfoundland, that is to say—

(a) any Dominion,  
(b) any other part of His Majesty's dominions,

(c) any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty and is being exercised by His Majesty's Government in the United Kingdom or in any Dominion,

(d) any British protectorate or protected State,

(e) Egypt, the Anglo-Egyptian Sudan and Iraq,

(f) Iceland and the Faroe Islands."

12. Consultation on Agreement: Either government shall be entitled to approach the other for a reconsideration of any of the provisions of this Agreement, if in its opinion the prevailing conditions of international exchange justify such reconsideration, with a view to agreeing upon modifications for presentation to their respective legislatures.

Signed in duplicate at Washington, District of Columbia, this 6th day of December, 1945.

For the Government of the United States of America:

FRED M. VINSON,

*Secretary of the Treasury*

*of the United States of America.*

For the Government of the United Kingdom of Great Britain and Northern Ireland:

HALIFAX,

*His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington.*

#### FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

Mr. SABATH. Mr. Speaker, I call up the resolution, House Resolution 499, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5153) reducing certain appropriations and contract authorizations for the fiscal year 1946, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Appropriations, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Appropriations, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Appropriations may be offered to any section of the bill at the conclusion of the general debate, but such amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, upon request, I shall yield the first 10 minutes to the majority leader the gentleman

from Massachusetts [Mr. McCORMACK].

At the same time, I wish to say that I have been directed and authorized by the committee to offer an amendment to the rule at the appropriate time.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. MICHENER. As I understand, the gentleman will offer an amendment, beginning on line 11, page 1 of the bill, after the word "appropriation," to strike out the rest of that page and down through line 7 on page 2.

Mr. SABATH. Including line 7; yes.

I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

#### CALL OF THE HOUSE

Mr. GORE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 13]

Andresen,	Dworshak	McGlinchey
August H.	Ellsworth	McMillan, S. C.
Bailey	Engel, Mich.	Mathews
Baldwin, N. Y.	Fernandez	Morrison
Barden	Fisher	Mundt
Bates, Mass.	Flannagan	Norton
Beckworth	Fogarty	Pfeiffer
Bland	Fulton	Plumley
Bloom	Gardner	Poage
Boykin	Hancock	Quinn, N. Y.
Bradley, Mich.	Hand	Reed, Ill.
Bulwinkle	Harness, Ind.	Reed, N. Y.
Byrne, N. Y.	Healy	Rees, Kans.
Canfield	Herter	Rivers
Cannon, Fla.	Hinshaw	Rizley
Carlson	Hope	Robinson, Utah
Case, S. Dak.	Izac	Roe, N. Y.
Chapman	Johnson, Ill.	Scribner
Cole, Kans.	Johnson,	Sheridan
Cooley	Lydon B.	Short
Crosser	Keefe	Starkey
Curley	King	Sundstrom
Dawson	LaFollette	Wickersham
Dingell	Landis	Winter
Dolliver	LeFevre	Zimmerman
Dondero	Lemke	

The SPEAKER. On this roll call 352 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

The SPEAKER. The gentleman from Massachusetts [Mr. McCORMACK] is recognized for 10 minutes.

Mr. McCORMACK. Mr. Speaker, on this the sixty-fourth anniversary of the birth of Franklin Delano Roosevelt, one of the great men of all time, it is fitting that we pause to honor and respect his memory.

Franklin Delano Roosevelt was a great man. He was a great President of the United States. He was a great American. He gave his life in the defense and preservation of our country, and in quest of his ideal that America was destined to lead the world into the Utopia of permanent peace.

Franklin D. Roosevelt in life foresaw an America where men and women could

live in freedom among men and women of good will without fear of poverty or totalitarian regimentation. He envisioned a nation where the laborer would enjoy social security, the farmer would be protected in the heritage of his land, small business would have the opportunity to flourish, and youth would have the privilege of cultural and educational advantage. He apprehended an America where the wheels of industry, turned by American hands, would fill the marts of the world with goods fashioned by American toilers, where no interests large or small would be stifled by monopoly, and where the enjoyment of the fruits of legitimate effort would be the just recompense of all those working in the vineyard.

He saw peace abroad and at home. He saw nation dealing with nation with justice in friendship. He saw peace in the ranks of labor. He saw in America the new council table of reconversion and reconstruction where labor and management each in its proper place, without fear or favor, would achieve that prosperity which is the aim and desire of American democracy.

All the strength of his brilliant mind, all the force of his character was directed to the realization of our national security and greatness. His ambition was impersonal. He loved America. He faithfully and unselfishly planned the course of her ship of state. As Chief Executive he guided us as a Nation through great storms of industrial depression and international wars into the harbor of national safety. He never despaired in our hours of darkness. He never faltered before the attacks of the enemy. He never lost heart when roar of political abuse sounded above the echo of bombs and cannon. Franklin D. Roosevelt was a man—of integrity unassailable, of courage unbreakable, of intellectuality undeniable, of sympathetic friendliness unmatched in the life of the America of his day, and seldom matched in the history of all time.

The Atlantic Charter symbolized to him no distant millenium. It was the heralding document of the world that is to be—attainable in our time—wherein international action to outlaw war and worldwide reduction in armaments will make international aggression impossible and atomic power will be the means of universal peace. Roosevelt planned it that way.

History alone will evaluate the greatness of our late beloved President. But history will enshrine him in the hearts of America—today and tomorrow—with the same love and admiration and respect now tendered Washington and Jefferson and Lincoln. His grasp of the dangers which threatened national financial disaster in 1933 brought order out of chaos and effaced the bread lines from the cities of America. The panic and concomitant misery of that year was replaced by a foundation of national morale which has since stood the test of time. The terrible condition of the American farmer under his leadership—from a plight of 3-cent hogs, 5-cent cotton, 10-cent corn, 20-cent wheat to prosperity through parity is known to every



citizen of every rural community. The extension of civil service and its benefits has aided every Government employee. Social unrest was stilled through humanitarian legislation conceived by him and written on the statute books through his counsel, and his persevering love of his fellow man. Under Franklin D. Roosevelt industry recovered from the depths of depression and freemen commenced once again to live, love, and laugh.

And then came war. Too little is his vision of the dire events which lay ahead appreciated by those who knew the oncoming tragedy and who know the countless wearying hours when others slept, spent by him to avert its consequences and spare our shores its desolation. He wanted no war with any nation. He used the prestige of the office of the President of the United States to prevent war. He believed in strong defense, for strong defense to the end of preserving the peace of the United States.

He developed, as Commander in Chief of our armed forces, an Army, Navy, Marine Corps, Coast Guard, and merchant marine second to none among the nations of the world. And this in face of opposition in 1940 that a super navy was unnecessary and the tremendous increase of Army and Navy appropriations foolish waste. He sent destroyers to England amid the castigations of the bewildered. He fathered the selective service, but with approbation of the representatives of every church despite the rabid cries of those who were blinded to reality. He ordered full speed ahead, and carried us safely to victory.

Franklin Delano Roosevelt never lived to set foot after victory upon the shores of the land he had fought so hard to save from the ideologies of the despot and the tyrant. His ship of state sailed into the haven of future world peace with the Stars and Stripes flying gloriously in the sunlight of the armistice. Before the dream of his life had been won—he was called to Him whose Omnipotence he always evidenced by word and deed, and whom he had served with great fidelity throughout life. He is gone. His spirit, the spirit of tolerant America triumphant, remains to remind us of the tribute owed to him by the free men and women of the world.

Franklin Delano Roosevelt is the contribution of his generation of Americans to the great constructive figures of all time.

The body of Franklin Delano Roosevelt lies in rest at Hyde Park, but the spirit and influence of Franklin Delano Roosevelt will live forever.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from West Virginia.

PERMISSION TO FILE SUPPLEMENTAL REPORT ON S. 102

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to file a supplemental report to accompany S. 102, a bill to amend section 2 (b) of the act entitled "An act extending the classified executive civil service of the United States," approved November 26, 1940, so as to provide for counting military service of certain employees of the legislative branch in determining the eligibility of such em-

ployees for civil-service status under such act, so that the report filed on December 10, 1945, by this supplemental report will comply with the Ramseyer rule.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

FIRST SUPPLEMENTAL SURPLUS RESCISSION BILL, 1946

Mr. SABATH. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from Illinois is recognized.

PRESIDENT ROOSEVELT

Mr. SABATH. Mr. Speaker, before I endeavor to explain the rule and the bill it makes in order I cannot resist congratulating the majority leader, the gentleman from Massachusetts [Mr. McCormack], on the splendid, deserved, and inspiring tribute he has paid to one of America's truly great, perhaps greatest President. I hope we may be strong enough, wise enough, and brave enough to follow the lessons and the admonitions bequeathed to us by him who labored all his too short life to make this a better place for the common man.

It has been my pleasure and privilege many times to pay tribute to this great man, whom I knew so well and whose character and genius I, like many others, valued so highly. True, it would seem that the simple pronouncement of this great man's name, and then silence, would be our greatest tribute. It is hard, though, to refrain from making a few remarks, however inadequate, on this first memorial birthday of Franklin Delano Roosevelt.

Let me repeat what I said on this floor several months ago about the late President; namely, that when impartial history is written in calm reflection, Franklin Delano Roosevelt will range alongside Washington, founder of the Republic; Jefferson, fountain of its idealism; and Lincoln, exemplar of its magnanimity and preserver of its internal unity.

HARRY L. HOPKINS

It is fitting at this point, Mr. Speaker, to note the passing of another of the devoted aides to the late President, whom I knew with affection and respect, another of the truly great Americans with whom Franklin Roosevelt surrounded himself, an apostle of that new America so many of us have longed for and worked for in our lifetime.

I refer to the late Harry L. Hopkins, who, as much as any man in our recent history, brought about an era of social responsibility, and helped us, every one of us, to assume our proper places as mature citizens of a mature nation. Harry Hopkins was only one of the loyal and selfless assistants to Franklin Roosevelt who gave his life to his country as truly as if he had been in battle. Before him there was Col. Louis Howe, and Marvin McIntire, and General Watson, and Miss Marguerite Le Hand. And now, Mr. Speaker, Harry Hopkins, too, has gone.

During the lifetime of Harry Hopkins, Mr. Speaker, he was reviled and libeled as have been few Americans, save, perhaps, the Chief to whom he was so de-

voted, Abraham Lincoln, and George Washington, and with as little reason. Even within his own party there were those who saw the gentle Harry Hopkins as a sort of Rasputin.

If he was a Rasputin, he was of the most guileless and honest sort, to whom loyalty to his Chief and his country were of more importance than personal wealth or grandeur. That he had power is certain; that he never abused that power is equally certain. In a world beset with villainy and treachery, our great wartime President knew that in Harry Hopkins he had a friend and a supporter whose loyalty never wavered, whose faith never grew dim.

The life of Harry Hopkins is proof all over of the great American dream enunciated in the Declaration of Independence: "We hold these truths to be self-evident: that all men are created equal." Born obscurely in Iowa as the son of a harnessmaker, he rose to world influence through sheer ability, because in this America of ours no caste lines exist to keep a good man down. Perhaps there was some good fortune in his rise, but it was the good fortune that comes to a man who has ability and who has faith in himself and in his fellow men. That faith in humanity, fused by his admiration for Franklin D. Roosevelt, gave to Harry Hopkins during the years of impending war, and the war, the drive which enabled him to contribute vastly to eventful victory.

I shall leave to others the recital of the dry facts of Harry Hopkins' birth and life, the dates, the public acts. What I desire to do, Mr. Speaker, is to pay tribute to a man who gave his whole life to the people—to the people of this Nation and to the people of the world, unstintingly, unhesitatingly, and with all the force of the great intellect which was imprisoned in that frail and sickly body.

Mr. Speaker, I ask unanimous consent that I may extend and revise my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RULE ON H. R. 5158, THE SO-CALLED RESCISSION BILL

Mr. SABATH. Mr. Speaker, the bill before us makes in order the bill H. R. 5158. When we considered the rules yesterday I was under the impression and had reason to believe that every member of our committee was in favor of a bill waiving points of order and restricting the bill to committee amendments; in other words, that it could be considered as a closed rule. But this morning a majority of the membership of the Rules Committee felt that the provision making the rule a closed one should be eliminated.

From information I have received I understand the bill before us is identical with the bill passed by the House a few weeks ago except that it does not carry the rider relating to the United States Employment Service. I hope therefore it will not be necessary for us to waste a great deal of time offering amendments to a bill that has been so carefully considered by this House. There may be



some Members who desire—and they have the privilege, of course, under the rule, as it will be amended—to offer some amendments not for the purpose of improving or saving money but for the purpose, as I view it, of a little political advantage they hope they may derive through the offering of such amendments.

I know that the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] will explain the bill more thoroughly than I possibly can, because within the last few days I have been very, very busy. Yesterday we held an all-day meeting of our committee in reference to the labor fact-finding bill, which was continued throughout this morning. Naturally, I was obliged to devote all of my time to the hearings that we going on.

THE FACT-FINDING BILL, SO-CALLED

This morning our committee reported a rule making in order a bill that had not been introduced until yesterday afternoon. Think of that. No one had copies of it when we heard the gentleman from South Dakota [Mr. CASE] expound it. It had not even been printed when we considered it yesterday. The bill, therefore, evidently had not been submitted to the legislative Committee on Labor. Very few gentlemen, except those who have, I think, been cooperating in the bill's preparation, covertly and in secrecy, knew about the provisions of the bill. Fortunately for us who were not on the inside, we have today a printed bill for consideration, and you gentlemen will have a chance to familiarize yourselves with this other bill that contains about 15 pages, a bill which will be made in order under the rule granted. Most anything and everything can be and will be considered. It will contain provisions that the House has voted on many times. I think it is ill-conceived proposed legislation at this time.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Indiana.

Mr. HALLECK. The number of that bill to which the gentleman refers is 5262, is it not?

Mr. SABATH. Yes. It was introduced yesterday.

Mr. HALLECK. It is printed in the CONGRESSIONAL RECORD of this morning?

Mr. SABATH. Yes.

Mr. HALLECK. And copies of that bill are available at the document room?

Mr. SABATH. Yes, for the first time.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. HOOK. As I understand it, that bill was introduced yesterday afternoon and was referred to the House Labor Committee. The House Labor Committee has had no opportunity to hold hearings upon the bill and that committee has been completely circumvented by the Rules Committee. It is about time that committees of this House be recognized instead of their work being sabotaged by the Rules Committee.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from New York.

Mr. MARCANTONIO. As a matter of fact, the Case bill was never read section by section in the Rules Committee, except by the author of the bill when he appeared before that committee yesterday. The bill was not introduced until yesterday. The author read the bill from a typewritten copy. The bill, in print form, was not available until today. In the deliberations of the Rules Committee this bill was never considered section by section; nevertheless it has been reported by the Rules Committee in the form not of an open rule but of a rule which makes this particular bill in order. This is a most extraordinary and unprecedented procedure. Is that not correct?

Mr. SABATH. Both of you gentlemen are correct.

Mr. KELLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. KELLEY of Pennsylvania. How is it possible to enact proper legislation without hearings and on an emotional basis only? It is impossible to do that, therefore legislation that comes to the floor of the House without having hearings before a legislative committee cannot be good legislation.

Mr. SABATH. The gentleman from Pennsylvania is also right. I think it is a most unfortunate thing that the Rules Committee acted as it did, especially at a time when every effort is being made by the President and by all those interested in peace and order, with every promise of gratifying success, to effect an adjustment of the difficulties which now confront our Nation. All of us are hopeful that an adjustment will take place. I think the legislation is untimely, and instead of doing any good may delay the peaceful adjustment of the differences between industry and labor.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I just want to say to the gentleman that I think any time that this House spends in the consideration of labor legislation this week will be entirely wasted. It will be of no benefit to the country and of no benefit to those engaged in this wage dispute, and it will probably be ill-considered legislation. I also want to ask the gentleman this question, whether any copies of this measure were available to the members of the Committee on Rules yesterday afternoon, because I understand the bill was not printed until today, that is, this so-called Case bill? Were copies available to the members of the committee?

Mr. SABATH. No; they were not. The gentleman from South Dakota [Mr. CASE] read from a typewritten copy of what he averred was the bill that he introduced only a little while before and I, as the chairman, had no chance or opportunity to familiarize myself, even superficially, with that copy. I never saw a print of H. R. 5262 until this morning about 10 o'clock. I think our committee has made a grave mistake. I

think it is setting a dangerous precedent to by-pass the legislative committee and make in order the consideration of bills that no one knows anything about. No one had been able to read it or familiarize himself with the print of H. R. 5262, which is the Case bill.

Mr. EBERHARTER. Mr. Speaker, if the gentleman will yield further, the question occurs in my mind as to whether the Committee on Rules did not actually violate the rules of the House; whether the Committee on Rules can report out a rule without the bill's having first been considered by the legislative committee. I think everything the gentleman has said so far confirms my statement that any time that the House gives to labor legislation this week will be only a waste of time.

Mr. BIEMILLER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Wisconsin.

Mr. BIEMILLER. It seems to me the next rule we might get from the Committee on Rules would be one to abolish all committees, if this circumvention is going to continue.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I just wanted to ask the chairman of the Committee on Rules, in view of the many instances of high-handed action by the Committee on Rules, if he or any other Member of the House should be surprised any longer at anything they might do.

Mr. SABATH. Unfortunately there seems to be an agreement on the part of my Republican colleagues and some of the Democratic members to take upon themselves jurisdiction and power which I feel that neither the rules nor the precedents contemplate giving to the Committee on Rules.

I take the opportunity of calling attention to the action of the Committee on Rules because a large number of Members have, since the committee meeting adjourned, inquired of me and have telephoned the committee clerks continuously asking for information relative to what has taken place and the form of the rule that was adopted. The rule provides for 2 days' general debate. After reading the first section of H. R. 4908 it will be in order to move to substitute the text of H. R. 5262 for H. R. 4908.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from New York.

Mr. MARCANTONIO. I repeat here on the floor of the House what I said before the Committee on Rules this morning: This Case bill, despite its sanctioning declaration of policy, was baked in the oven of the Republican National Committee, with ingredients supplied by the National Association of Manufacturers, and salted and peppered by some members of the Committee on Rules. It is a bill to protect scabs and to pillory men and women who toil and who have organized to defend their right to a decent standard of living.



Mr. SABATH. I do not agree that the manufacturers are in favor of it. I think they are against it.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I want to familiarize myself at the earliest opportunity with the situation in connection with the rule which has been reported, but at this time may I ask the gentleman this question: Is the bill as reported from the Committee on Labor in order as well as the substitute, or is only the so-called Case measure in order?

Mr. SABATH. Under the rule it will be permissible to move to substitute the Case bill for the committee bill, and the Case bill will be read then for amendment instead of the committee bill.

Mr. RANDOLPH. As I understand, but one bill may be considered as a substitute for the committee bill.

Mr. SABATH. Yes; just one.

Mr. RANDOLPH. When does the Committee on Rules expect to report the rule to the House?

Mr. SABATH. The rule will be reported this afternoon.

Mr. RANDOLPH. When will the debate on this subject matter be programmed for the House?

Mr. SABATH. I cannot speak for the House nor for the Speaker nor for the majority leader, but I believe it is intended that the rule shall be taken up tomorrow and, as I stated, 2 days will be given to general debate. Consequently, I do not see how a vote on the bill itself can be had before Monday. I am making this statement because many Members want information.

Mr. RANDOLPH. The chairman of the Committee on Rules is always cooperative, I am sure, in informing the Members of the House to the best of his knowledge. I do think that sometime during the day from the proper voice we should hear the exact situation in connection with the program for debate, the period this week or next that this so-called legislation is to be heard in the House.

Mr. SABATH. As I understand, tomorrow and the day after will be given to general debate.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I wonder if the distinguished chairman of the Committee on Rules can inform the House if, when the Committee on Rules considered this so-called Case bill, the gentleman from South Dakota gave that committee any detailed information as to what great industries he has in his district that suddenly qualify him as an expert on labor matters.

Mr. SABATH. No; he did not. I did not hear him make any such statement, and I believe the gentleman has practically no industries in his district, nor is he a member of the Committee on Labor.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Am I to understand that this bill which was introduced yesterday is going to be reported out without any kind of hearings?

Mr. SABATH. Yes.

Mr. MANSFIELD of Montana. I have introduced a bill to give terminal-leave pay to enlisted men. Can I get that bill before the gentleman's committee on the same basis as this bill?

Mr. SABATH. I doubt it very much. Such action as was taken to make in order the Case bill as a substitute is taken only on legislation which aims to crucify and destroy organized labor. In the fewest words, I cannot believe that this House, nor the country, will stand for the methods employed nor for the inept and provocative legislation embodied in the Case bill. I have scanned the bill but hurriedly, but its provisions were familiar. They are extracts from bills fathered by the gentleman from Virginia [Mr. SMITH], by the gentleman from Illinois [Mr. ARENDS], and by several other Members who are known to be, and to my mind are, prejudiced against organized labor, and perhaps against all who work usefully.

As I have stated, and as other Members have stated who spoke before me, even the great industrial czars agree with labor leaders and students of labor relations that this is an inopportune time to consider such legislation as is embodied in this Case bill; yet we are asked to discuss seriously proposals familiar to only a few Members, and proposals which I believe were concocted in the precincts of the Republican National Committee and urged by that citadel of vested power and advocate of special privilege.

Mr. Speaker, instead of giving the President the fact-finding bill he recommended in the interest of harmony and of adjustment of the conflict between industry and labor, we are going to consider this National Republican Committee abomination. While I am a Democrat, I have endeavored from time to time to advise my Republican colleagues not to permit themselves to be led to the slaughter. When they have failed to take my advice they have regretted it. Should they force through this diabolical instrument of the labor haters and the labor baiters, by some Machiavellian machinations, they will again deplore it. However, I am hopeful that there are a sufficient number of fair-minded and progressive Republicans who will refuse to be whipped into line, and out of office, and who will have the courage to resist; who will not admit to being the pawns and stooges of the du Ponts, the Morgans, yes, the Wall Street interests who control, and absolutely control, the labor policies of General Motors, General Electric, United States Steel, the meat packing companies, and the other companies and corporations who have refused to listen to the voice of reason and adjust their differences by mutual concessions and common sense.

If this bill is the best that the 20 or 30 vaunted experts and specialists can bring forth for the Republican National Committee in exchange for their reputed salaries of \$25,000 a year, only God can

help the Republicans; but on their record He cannot and will not.

Mr. Speaker, I reserve the balance of my time and yield 30 minutes to the gentleman from Michigan.

Mr. MICHENER. Mr. Speaker, I shall not take the full 30 minutes. I think we have all enjoyed this prelude to the debate which will be in order tomorrow. It is not only a prediction of, but is evidence of, things to come. The Committee on Rules has been soundly spanked for reporting out the rule on the President's fact-finding bill. The riddle was applied by the chairman of the Rules Committee, aided and abetted by other members, who usually support the President. In the first place, all these gentlemen who have made inquiry of the chairman are opposed to the President's fact-finding and cooling-off period bill, except the chairman of the Committee on Labor, the gentleman from West Virginia [Mr. RANDOLPH]. Most of them appeared before the Committee on Rules against the President's labor bill. They do not want any legislation at all at this time affecting labor, the President to the contrary notwithstanding. Remember the President is asking for the Norton bill, H. R. 4980, which these gentlemen are opposing. In substance he says: "This is my program. This is my proposal to cure the strike situation, and if the Congress will not accept my program, then I ask the Congress to submit an alternative program."

The Labor Committee, having jurisdiction, has before it a number of labor bills. Most of their provisions are included in the Case bill, as I have been advised. I did not write the Case bill. Therefore, if you will compare the bills now lying in cold storage in the Committee on Labor and the Case bill, you will find this to be the fact.

I, for one, am perfectly willing that all phases of labor legislation should come before the Congress, the Case bill and all the rest. The Committee on Rules, it has been indicated, is arbitrarily preventing the House from considering proper labor legislation. Nothing of the kind. The Committee on Rules is not a legislative committee. It proposes procedure whereby the majority of the House may make its own decisions.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I do not yield now.

Mr. HOOK. That is not so.

Mr. MICHENER. Possibly the gentleman from Michigan does not understand the function of the Committee on Rules—

Mr. HOOK. I certainly do.

Mr. MICHENER. In view of the remarks he made just a minute ago—

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I do not yield now.

Mr. Speaker, the Committee on Rules is only attempting to bring the President's labor program before the House, giving to the House an opportunity to pass upon the proposals and to consider the whole strike problem and enact legislation incident thereto without taking innumerable bites at the same cherry. This bill, the President's bill, the com-



mittee amendment to the President's bill, and the Case bill, will all be before the House so that the House may work its will. If the House does not want to consider this matter as proposed in the resolution from the Committee on Rules, all it needs to do is to vote down the rule and then there will be nothing before the House. So in the final analysis all that the Committee on Rules does is to permit the matter to come before the House. You gentlemen who insist that the Rules Committee is so culpable—

Mr. HOOK. Mr. Speaker—

Mr. MICHENER. Who insist it should not be here—

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I do not yield.

#### CALL OF THE HOUSE

Mr. HOOK. Then I make the point of order, Mr. Speaker, that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 14]

Baldwin, N. Y.	Douglas, Calif.	McMillen, Ill.
Barden	Eaton	Mathews
Barry	Ellis	May
Bates, Mass.	Ellsworth	Morrison
Beckworth	Elsaesser	Mundt
Bell	Engel, Mich.	Norton
Bloom	Fisher	Pfeifer
Bulwinkle	Fogarty	Plumley
Bunker	Fulton	Poage
Canfield	Hancock	Reed, Ill.
Cannon, Fla.	Harless, Ariz.	Reed, N. Y.
Carlson	Harness, Ind.	Rees, Kans.
Cave, N. J.	Healy	Rivers
Case, S. Dak.	Heffernan	Rizley
Chapman	Herter	Robinson, Utah
Clark	Hinshaw	Roe, N. Y.
Cole, Kans.	Hope	Scrivner
Combs	Izac	Sheridan
Cooley	Johnson, Ill.	Short
Crosser	Johnson	Simpson, Pa.
Curley	Luther A.	Starkey
Daughton, Va.	Johnson	Summers, Tex.
Dawson	Lyndon B.	Sundstrom
Dingell	LaFollette	West
Dolliver	LeFevre	Wickersham
Dondero	Lynch	Winter

The SPEAKER. On this roll call 349 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

Mr. MICHENER. Mr. Speaker, I have just been asked if I was going to take up where I left off when interrupted by the point of no quorum made by the gentleman from Michigan [Mr. Hook]. My extemporaneous remarks preceding the roll call were inspired by the remarks of the Chairman and the observations of his interrogators. I was only trying to clarify the matter so that there would be no question about the facts, because to me facts are just as vital as they are to my good friend, the gentleman from New York [Mr. MARCANTONIO]. The gentleman from New York and I may often disagree, but I think we both try to state the facts as we see them. As I said, the Committee on Rules was chastised be-

cause, forsooth, we took it upon ourselves to give the House the right to vote upon and discuss a subject in which the country is interested. Now that is all there is to it. If the House does not like the rule, it need not support the proposal. It is a very easy matter to do what the majority wants to do by voting down the previous question. Then the Member making the motion or the Member recognized by the Speaker will have 1 hour in which he can offer any amendment he desires to the rule. Our distinguished Chairman will lose jurisdiction, and the House will have taken control and can operate on the rule as suits its fancy.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I do not yield.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

The SPEAKER. The gentleman has declined to yield.

Mr. HOOK. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. SPEAKER. The gentleman from Michigan [Mr. Hook] makes a point of order that a quorum is not present.

Mr. MICHENER. Mr. Speaker, I will yield.

The SPEAKER. Unless the gentleman from Michigan [Mr. Hook] withdraws the point of order of no quorum, no business can be transacted in the House.

Mr. HOOK. Mr. Speaker, I withdraw the point of order.

Mr. MICHENER. Yes; under the threat of wasting another 40 minutes in a roll call, I will yield.

Mr. HOOK. The gentleman said that the Committee on Rules was not a legislative committee. Will the gentleman tell me whether or not in his opinion he thinks it is proper for the Committee on Rules to report a bill which has never been before any legislative committee of this House?

Mr. MICHENER. The perfect answer to that is that this rule follows precedent and that similar rules have been granted on numerous occasions since I have been in the Congress. There are times when committees do not want any legislation of a particular character brought before the House. The President of the United States condemned the Committee on Rules because it would not report out the FEPC bill. I was ready to report it out but, because the majority of the Committee on Rules did not feel likewise, the President reprimanded the entire committee. Then the President spanked the Committee on Labor, of which the gentleman from Michigan [Mr. Hook] is a member, because it would not report out his bill. However, the committee remains adamant. The gentleman from Michigan [Mr. Hook] is against the President's bill. He does not want it considered. The Committee on Rules was so advised. He wanted the Committee on Rules to stifle the Committee on Labor and not permit a bill which had been reported out by a majority of the Labor Committee to come to the House. Now, I do not agree with that philosophy. I believe we should have a free and open forum here, and that the House should have a right to

determine whether or not it desired to consider legislation dealing with the strike situation which is of so much interest to our constituents at this time. My colleague from Michigan does not want the House to have this opportunity. He is trying to stop it. He is trying to scuttle it. He is opposed to the President's demand that his program, or a congressional alternative, be brought before the Congress.

Now, Mr. Speaker, I yield to the always courteous gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. I know the gentleman wants to be fair.

Mr. MICHENER. I do.

Mr. MARCANTONIO. I know the gentleman would never misinform the House. The gentleman has made the statement that this procedure which the Committee on Rules adopted this morning is not unusual and there is plenty of precedent for it. May I point out to the gentleman that in my 9 years here I cannot remember an instance when the Committee on Rules has made in order the consideration of a bill which was introduced the day before the Rules Committee reported out the rule, a bill which, in all fairness to the gentleman, even he has not read; a bill which the majority of the members of that committee has not read. Does not the gentleman agree with me that that is the most extraordinary procedure that the Rules Committee has ever adopted?

Mr. MICHENER. I will not say I stand corrected, because I do not know, but I assume the gentleman is correct. When I said there were precedents, I had in mind that the Rules Committee has made in order other bills under similar circumstances. I do not know whether those other bills had had committee consideration, but I do know that they had not been reported out by the legislative committee, and that the committee had refused to report them out. The Rules Committee on those occasions, respecting the desire of the majority of the House, reported them out. If it is not the desire of the House that this bill should be considered, then the House has the right, under this rule, and will be given the opportunity, to vote down the proposal that all these matters be brought up at once.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes, I will yield briefly, although my time is getting short.

Mr. EBERHARTER. I just want the gentleman's personal opinion. Does he think the House will have enough information and will have given sufficient consideration and study to the provisions of the Case bill so that the House will be in a position to legislate constructively on the far-reaching provisions of that bill? Does the gentleman think the House, without any study having been made of the effect of those provisions, by any experts, by management, or by labor, or anybody else, can legislate constructively. Does the gentleman think the House could legislate with ordinary wisdom in such a case?

Mr. MICHENER. I would prefer that the legislative committee had reported



the Case bill, but the gentleman from Pennsylvania knows that could not happen. I have made his argument at times when the gentleman's Ways and Means Committee has brought in bills on which we could not do anything except vote "yes" or "no."

Mr. EBERHARTER. But the Committee on Ways and Means had had time to consider and study and have expert reports on the measure which they had adopted. That is not true of the Case bill.

Mr. MICHENER. My attention has just been called to one precedent, namely, the Worley bill, the soldiers' vote bill, which we all remember.

Mr. WORLEY. The gentleman from Michigan is correct. In the interest of fairness to the Rules Committee, this precedent was followed by the Rules Committee when it made the so-called Worley soldier vote bill in order in connection with soldiers' vote legislation.

Mr. MARCANTONIO. But how long was the Worley bill in existence before it was made in order by the Rules Committee?

Mr. WORLEY. As I recall, it had not received action from my committee.

Mr. MARCANTONIO. I said, how long had it been in existence? How long had it been pending?

Mr. WORLEY. I do not recall the exact dates but I think it had been introduced several days before the Rules Committee acted.

Mr. MARCANTONIO. Well, it had been introduced for some time. This Case bill was introduced only yesterday.

Mr. MICHENER. Mr. Speaker, I do not yield further, my time is running.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield to me?

Mr. MICHENER. Yes; I yield to my colleague from Michigan.

Mr. HOFFMAN. Some of us in the House have been working on labor legislation for about 10 years. Finally, out of the Labor Committee you get a vehicle on which you could hang legislation; but if I understand the proposed rule correctly, you are denying to some of us who have been making this fight for 10 years any opportunity to offer our measures. You are forcing us to consider a bill which was never seen, which never was printed, which never was before the Labor Committee. I say it is not fair.

Mr. MICHENER. No; the rule does not deny the gentleman anything.

Mr. HOFFMAN. Maybe I do not know.

Mr. MICHENER. The gentleman usually does know, but I think he does not in this case.

Mr. HOFFMAN. I think I do.

Mr. MICHENER. We are extending a privilege to the Case bill. We are denying nothing. All germane bills or amendments will be in order. The gentleman from Michigan did not appear before the committee and ask that his particular bills be made in order, as the gentleman from South Dakota [Mr. CASE] did.

Mr. HOFFMAN. Let me correct you, if I may. The minutes will show that I did that very thing.

Mr. MICHENER. If I were to say anything off the record, I will say that I spoke to the gentleman from Michigan yesterday and told him that the gentleman from South Dakota [Mr. CASE] was coming before the committee to ask that his bill be made in order, and I suggested to the gentleman that if he wanted his bill made in order, he should come before the committee also.

Mr. HOFFMAN. I had already done that. The minutes will so show.

Mr. MICHENER. Yes; the gentleman appeared in behalf of a rule. I do not recall that he asked the committee to make any particular bill in order.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield to me?

Mr. MICHENER. I yield.

Mr. ANDREWS of New York. As I understand it, the rule, if adopted, will make in order the bill as reported from the Labor Committee or the provisions of the so-called Case bill. Is that correct?

Mr. MICHENER. Yes.

Mr. ANDREWS of New York. Assuming that the Case bill is made in order would the provisions of that bill be subject to amendment on the floor?

Mr. MICHENER. I can best explain that—

Mr. ANDREWS of New York. No. May I ask if the provisions of the Case bill are to be subject to amendment on the floor?

Mr. MICHENER. If the gentleman will listen to what I am about to say right now, he will understand just exactly what will be in order.

If this rule is adopted as reported, the President's bill, whatever the number is, will be before the House for consideration. There is no committee bill before the House. There are committee amendments to the President's bill.

The first section of the President's bill will be read and I assume at the conclusion of the reading of that section the gentleman from South Dakota [Mr. CASE], will offer his bill as an amendment, or substitute, to the first section of the President's bill.

Then the Case bill, answering the question of the gentleman from New York, will be read under the 5-minute rule just the same as if it were an original bill and will be open to all germane amendments to add to or strike out. After the Case bill has been perfected, if it suits the committee by a majority vote, then the vote will be to substitute the Case bill as amended in place of the President's bill. As I understand, that is all there is to it.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. COCHRAN. The same situation will exist if that rule is adopted that existed in the House yesterday. When the substitute was adopted the committee immediately rose and we went into the House and voted on the bill. Only just this minute was I able to get a copy of this bill from the Document Room. The Rules Committee has taken it upon itself to make the provisions of the Case bill in order before the Committee on Labor has ever had a chance to look at it.

Mr. MICHENER. No, no; the Rules Committee has not made anything in order. The Rules Committee has made it possible for the House to determine whether the House wants to make the Case bill in order. The Rules Committee does not speak with finality in any way at all; it can only propose suggestions to the House and then the House works its own will and does that which a majority of the House decides to do.

Mr. COCHRAN. If the Rules Committee is going to continue this policy we may just as well abolish the legislative committees of this House.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes; I yield to the gentleman from California. I would like to yield to all the gentlemen standing, but I must continue with my own remarks, and this will be the last time I shall yield.

Mr. VOORHIS of California. The rule, as I understand, when it comes up for consideration, can be altered by the House; the House can work its will with regard to what the rule provides in respect to the Case bill.

Mr. MICHENER. That is correct; the House has it within its power to amend the rule and fix up any kind of rule it wants. If the House does not like this rule, the House should vote it down.

Mr. Speaker, I regret I cannot yield any more.

All this debate concerning the labor legislation that is coming up tomorrow has nothing to do with the rule now before the House. It should not have been interjected here. I am advised that on tomorrow and Friday the House will debate the labor bill and amendments will not be in order until Monday. Therefore, adequate opportunity will be given to all Members to familiarize themselves with the Case bill and the Norton bill, and to prepare any amendments they desire to offer. This is more time than is given for the study of appropriation bills carrying billions of dollars. Study and time will not have much effect on those who are fundamentally opposed to any labor legislation.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. SAVAGE].

(Mr. SAVAGE asked and was given permission to revise and extend his remarks.)

Mr. SAVAGE. Mr. Speaker, I should like to call the attention of the members of the Ways and Means Committee to a bill I have just introduced, amending the Internal Revenue Code, which I think the committee should seriously consider as a step designed to help smooth the economic path for veterans of this war.

In brief, the provisions of this bill would allow every honorably discharged veteran of this war the same gross income tax exemption he enjoyed while in the service, for a period of time equal to his length of service.

A great many of our veterans are going to find the going pretty tough when they get back to civilian life. Along with the problem of getting a job, most of them will be faced with added burdens. Many will have to reestablish their homes; will



have to buy furniture, clothes, an automobile, and other necessities. In short they will have to start from scratch. This means that they will have quite a capital outlay and will have to spend most of what they make on such items for several years to come.

Congress has been pretty kind to the big corporations in my opinion in revoking the excess profits tax and putting the carry-back provision in our tax laws. We did this with the hope that it would help reconversion and thus provide jobs for our veterans.

If we can do these things for corporations involving millions of dollars of lost taxes, why cannot we do something for our veterans? The veteran's exemption I propose will not cost the Government anything like the vast sums lost through the benefits given to corporations, and it will help put our veterans back on their feet. The whole program would not last for more than 5 years at the most, by which time the vast bulk of our veterans would have used up their service credit and would have had time to get themselves well adjusted and able to carry their tax burden like the rest of us.

Allowing the veteran a \$1,500 exemption will help the low income group most and will give all veterans a breathing spell in which to readjust themselves.

I feel that most Members of Congress sincerely want to help the veteran. Therefore I urge the Ways and Means Committee to consider this problem carefully.

Mr. SABATH. Mr. Speaker, I now offer the following amendment to the rule.

The Clerk read as follows:

Amendment offered by Mr. SABATH:

Page 1, line 12, after the period insert "and amendment to the bill shall be in order."

Page 1, line 12, strike out the remainder of line 12.

Page 2, strike out lines 1 to 7, inclusive.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. SABATH].

The amendment was agreed to.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5158, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, this bill is identical in every respect with the bill H. R. 4407 passed by both Houses recently—with the exception it does not include the one provision in

H. R. 4407 to which the President in his veto message objected. The bill as submitted has been debated, amended and read three times in both Houses and has been tacitly approved by the President. For that reason I shall not discuss it in detail. Suffice to say that it provides for the rescission in cash, in contractual authority, and in corporate funds of an amount aggregating \$51,786,811,925.

We have previously recalled in two former bills of similar nature an amount totaling \$9,457,119,000 and since the passage of the original bill, the House is in receipt of a further message from the President recommending an additional rescission in the amount of \$5,748,563,373. In other words, upon the President's recommendation we propose after passing the bill now under consideration to report a bill carrying further rescissions of approximately \$5,745,563,373, providing a total minimum rescission of \$66,989,494,294.

The committee would have offered at this time and under this rule amendments increasing the amount of rescission to that figure but for the fact that we feel we can develop in the hearings during the next 2 weeks, on the further recommendation of the President, an additional amount for rescission.

Unquestionably with the end of the fiscal year even greater economies will be possible and we have reason to confidently expect a total rescission eventually of somewhere between seventy and seventy-five billion dollars. This bill, in precisely its present form with the exception of the one item, went to the President and was vetoed by the President solely on the ground that it included a rider which he thought did not belong in an appropriation bill. Riders on appropriation bills are objectionable from many points of view. There has been no legislative practice which has been subjected to more general criticism or to criticism over a longer period of years than the practice of legislating by appending riders to appropriation bills, and this rider is no exception.

The provisions embodied in the objectionable rider have been incorporated in a bill which has been reported to the House by the Committee on Labor in regular and orderly procedure under the rules of the House and has now been passed and sent to the Senate. So the House has in that way conceded the justice of the President's criticism and justified his action in vetoing the bill because of this objectionable rider.

We have now reported the bill as originally submitted to the President without the rider and we will within a few days submit to the House a further bill making additional rescissions. At the end of the fiscal year we shall report to the House a final bill recalling any funds and authorizations available for rescission after June 30, with the expectation of ultimately effecting a final saving for the Seventy-ninth Congress aggregating seventy to seventy-five billion dollars.

The amount of salvage effected by the prompt action of the President and the committee, approved by the Congress, vastly exceeds expectations. Hearings

by the committee and investigations by its research staff are continuing and all departments and agencies will be stripped of every dollar that can be reclaimed and every authorization subject to cancellation.

I yield at this time to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this bill, as the gentleman from Missouri has said, is a duplicate of the bill, H. R. 4407, which was passed by the Congress along toward the end of the last session and was vetoed by the President. It is in no way different from that, except that it has nothing in it in the nature of a rider restoring the employment services to the States. In my opinion, that rider was very salutary. If it had stayed in, and if the President had approved the bill, it would have expedited the reconversion program beyond expectations and permitted our people to go to work instead of having the employment services blocking them. I hope that the legislation which the House passed yesterday will become a law. If it does, it will help in putting the people to work.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. I cannot see that that was exactly a rider. It seems to me that was the only way to rescind the money appropriated for that particular agency.

Mr. TABER. It was not exactly a rescission; it was a little more, because it constituted an appropriation of funds to carry on the activity in the States.

With reference to the bill itself, I do not propose to offer amendments increasing these rescissions, that is, these cuts in existing appropriations, at this time. The President has submitted in House Document 394 a recommendation for the rescission of approximately \$5,000,000,000 additional. Hearings have begun upon that document. As a result of these hearings, I believe we are going to be able to recover a very considerable sum of money beyond what the President has estimated. I hope that when the committee brings in a bill to carry into law the recommendations of the President along that line the committee will add such sums as the evidence may seem to justify in the hearings that we shall hold and are holding. If the committee does not bring in that kind of a bill, when that bill comes up on the floor I shall offer amendments to increase the rescissions so that they will comport with the evidence the committee receives.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. I note by the report that this bill seeks to recover \$51,000,000,000 plus.

Mr. TABER. Yes.

Mr. SPRINGER. Is that amount the same as was embraced in the bill which was previously considered by the House?

Mr. TABER. It is the same amount as was embraced in the bill H. R. 4407, which was passed by the Congress and was sent to the President.



Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I do not pretend to be any great authority on diction, but it seems to me the title "Rescission" should be modified, since we are saving so much money or recapturing money, or whatever we want to call it, to something like an "economy bill," so that the people of the United States may understand what we are trying to do and what we are effecting here.

Mr. TABER. If we are not able to tell the people back home what is being accomplished and what is being saved it is just too bad for us. As far as I am concerned, I shall undertake to tell the folks back home what the Congress has done, and I shall have no compunctions about telling them, nor shall I be ashamed to tell them.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. CHURCH. I commend the gentleman on his stated intention of cutting down future appropriations. The gentleman should be congratulated by every Member of this House for doing that. It seems to me if that purpose is identified, it should be called prevention of inflation. Would the gentleman agree with me that cutting down these appropriations is one of the best ways of stopping the inflation that is now growing?

Mr. TABER. I do not know of any way that we can contribute as much to cutting down inflation as by reducing the activities of the Federal Government and saving money for the Treasury.

Every time we spend more money and incur more debt, that operation is inflationary and it is inflationary in a very high degree. I would hope that the Congress would be very careful to carry forward a program of economy which will keep the country right side up. While we are on the subject of appropriations and expenditures, I think I could perform no better public service in illustrating to this country what a program of expenditures means than to quote the words of the gentleman from Ohio [Mr. CLEVELAND] the other day when he said that a proposal to spend next year \$35,-800,000,000 meant practically \$3,000,-000,000 a month and that was \$60 per month for every wage earner or income producer in this country. In other words, every workingman and every workingwoman is subject in one way or another to a \$60 a month tax to carry a \$36,000,000,000 a year expenditure. That is an intolerable burden and we must stop it.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that general debate be concluded and that the bill be considered as having been read for amendment.

Mr. TABER. Mr. Chairman, before that is done, I reserve the balance of my time. I have so many requests I must take care of. I now yield 5 minutes to the gentleman from Idaho [Mr. DWORSHAK].

#### FEDERAL CIVILIAN PERSONNEL REMAINS AT HIGH FIGURE AT YEAR END

Mr. DWORSHAK. Mr. Chairman, recently this body received the budget message of the President in which were outlined some recommendations, not only for the rescission and recapture of funds which already have been appropriated, but the legislative branch of the Government was advised that at the end of the 1947 fiscal year we would probably reach the figure of 1,600,000 for paid civilian employees in the executive department of government. Last week during the debate on the independent offices appropriation bill, I endeavored to point out that, while the President accepted that figure as an all-time permanent peacetime level, it was comparable to the number of paid civilian employees on the Federal pay roll in December 1941, at the time of Pearl Harbor. At that time we had been in preparation for national defense and war for almost 2 years. Consequently, instead of reducing Federal employment to a so-called prewar level, this administration now proposes to maintain levels almost double the average civilian employment during the year 1939. We hear a lot about estimates and recommendations and proposals for reduction in the expense of operating our Federal Government and for retrenchment of paid civilian personnel, but actually the record shows little indication that we are making any worth-while progress in that direction.

The United States Civil Service Commission has just released its official report for December 1945. On the last day of the year there was estimated to be a total of 2,405,000 paid civilians in the executive branch of the Government within the United States. Outside of the continental limits of our country, the total number of paid personnel was placed by the United States Civil Service Commission at 747,300. During the month of December—5 months after the termination of hostilities—the Civil Service Commission reports there were still 3,152,305 civilian employees on the Federal pay roll, and that during December there was a reduction, within the boundaries of the United States, of only 51,000, while there was a shrinkage of approximately 16,000 in the paid civilian employees outside the continental borders of our country.

If you will study this official report, you will find that at the end of December the War Department had almost 1,500,000 civilian employees; the Navy Department had approximately 600,000 civilian employees. Of course, we are all primarily interested in redeployment and demobilization which will bring our American soldiers and sailors back from the various theaters of war; but when we talk about economy in the Federal Government, is it not time for this body, which appropriates funds, to demand even greater retrenchment and reduction, if we are going to meet that figure estimated by the President, of 1,600,000 at the end of 1947 fiscal year? We have to retrench at a much more rapid rate than is indicated in December, if that goal is attained. Why should we continue more than 3,000,000 civilians on the pay roll of the executive departments of the Government as we expedite reconversion so that we can attain a balanced National

Budget? The President has held out that hope for us in the next fiscal year.

I have confidence in my Appropriations Committee—in the chairman and the ranking Republican member, the gentleman from New York [Mr. TABER]—because there has been some very concrete evidence that, notwithstanding these reports and recommendations coming from downtown, we really intend to do something about economy. We have these appropriation bills coming in almost every week. We disposed of the Independent Offices bill last week, and included a few reductions, after the Republican leadership made a valiant attempt to make even deeper cuts. I am mentioning this particular fact now because, if we are to reduce the civilian pay rolls, which must be done if we are to cut the cost of Federal Government, then we must do a great deal more than merely talk about it or be satisfied to have the Chief Executive send messages and reports to Congress outlining proposed reductions. The time has come for real action.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. DWORSHAK. I yield.

Mr. PITTENGER. This bill is a lot of shadow-boxing, anyway, is it not? These departments have not spent this money. They do not have to spend it. They could make a hit by reporting back to us that they did not need the money.

Mr. DWORSHAK. I think the President is making a conscientious effort to cooperate in this rescission bill; but the fact is that the various departments would have difficulty in spending the amounts which are being recaptured in this particular bill, because these appropriations were made by Congress specifically for wartime activities. There is no longer any justification for those policies and those programs.

So, I merely make mention of this fact, that if there is to be retrenchment and economy, then actually this House will have to assert greater leadership so that the President will be able to keep faith with the promises and pledges he has made to the American taxpayers.

Mr. Chairman, in order to provide accurate information, I am inserting at this point some statistics furnished by the United States Civil Service Commission on civilian personnel and pay rolls during the 6-year period ended December 31, 1945:

*Federal civilian employment and pay rolls in the executive branch, December 1939-45*

Date	Total employment including outside United States	Washington, D. C., metropolitan area <sup>1</sup>	Outside continental United States	Pay roll
1939: December.....	988,099	127,502	45,665	\$152,398,777
1940:				
January.....	939,296	127,520	(2)	144,158,903
February.....	939,396	127,783	(2)	141,947,398
March.....	949,418	128,642	(2)	144,106,408
April.....	959,972	129,677	(2)	145,014,926
May.....	980,801	130,438	(2)	149,405,095
June.....	1,014,117	133,856	(2)	149,240,255
July.....	1,026,572	138,471	(2)	155,226,773
August.....	1,039,996	142,899	(2)	159,350,059
September.....	1,059,984	145,620	(2)	159,798,624
October.....	1,091,931	149,389	(2)	167,220,383

Footnotes at end of table.



*Federal civilian employment and pay rolls in the executive branch, December 1939-45—Continued*

Date	Total employment including outside United States	Washington, D. C., metropolitan area <sup>1</sup>	Outside continental United States	Pay roll
1940—Con.				
November.....	1, 114, 068	152, 538	(2)	\$168, 618, 728
December.....	1, 184, 344	155, 914	(2)	183, 707, 026
1941:				
January.....	1, 153, 431	158, 610	(2)	178, 413, 671
February.....	1, 173, 152	161, 862	(2)	175, 623, 559
March.....	1, 202, 248	167, 081	(2)	184, 244, 306
April.....	1, 251, 283	172, 876	(2)	189, 213, 464
May.....	1, 306, 333	177, 328	(2)	198, 382, 389
June.....	1, 370, 110	184, 236	89, 297	205, 581, 047
July.....	1, 391, 689	185, 182	(2)	205, 977, 306
August.....	1, 444, 985	186, 931	(2)	217, 772, 054
September.....	1, 487, 925	191, 588	(2)	224, 140, 668
October.....	1, 511, 682	194, 265	(2)	235, 778, 998
November.....	1, 545, 131	199, 283	(2)	237, 398, 486
December.....	1, 620, 922	207, 214	(2)	247, 379, 409
1942:				
January.....	1, 703, 099	223, 493	(2)	259, 404, 945
February.....	1, 805, 186	233, 403	(2)	282, 106, 949
March.....	1, 926, 074	238, 801	(2)	309, 764, 679
April.....	1, 970, 969	248, 100	(2)	317, 207, 094
May.....	2, 066, 873	256, 457	(2)	336, 568, 306
June.....	2, 206, 970	268, 383	(2)	353, 364, 409
July.....	2, 327, 932	274, 001	(2)	382, 373, 859
August.....	2, 450, 759	275, 362	(2)	391, 502, 171
September.....	2, 549, 474	281, 423	(2)	414, 594, 644
October.....	2, 687, 093	283, 692	(2)	445, 135, 852
November.....	2, 739, 815	283, 872	(2)	453, 580, 367
December.....	2, 810, 871	284, 068	(2)	470, 334, 353
1943:				
January.....	2, 864, 021	284, 643	(2)	519, 224, 846
February.....	2, 944, 922	287, 244	(2)	531, 185, 480
March.....	2, 978, 824	285, 454	(2)	638, 923, 265
April.....	3, 005, 812	282, 809	(2)	634, 324, 484
May.....	3, 030, 659	280, 027	(2)	617, 645, 274
June.....	3, 157, 113	280, 813	154, 660	611, 419, 957
July.....	3, 126, 376	279, 261	(2)	616, 743, 724
August.....	2, 992, 307	274, 250	(2)	610, 003, 154
September.....	2, 971, 739	269, 887	166, 220	614, 861, 992
October.....	2, 903, 733	268, 449	(2)	624, 701, 592
November.....	2, 988, 947	265, 246	(2)	603, 485, 040
December.....	3, 227, 578	263, 448	415, 766	620, 779, 679
1944:				
January.....	3, 235, 800	263, 317	(2)	612, 003, 108
February.....	3, 243, 609	263, 701	(2)	644, 559, 082
March.....	3, 217, 041	263, 992	379, 439	631, 857, 530
April.....	3, 232, 960	264, 023	(2)	580, 048, 589
May.....	3, 245, 890	264, 001	(2)	575, 959, 276
June.....	3, 312, 256	270, 019	393, 969	480, 526, 772
July.....	3, 235, 178	270, 501	(2)	586, 319, 338
August.....	3, 302, 526	264, 535	(2)	614, 792, 316
September.....	3, 334, 841	259, 060	453, 612	608, 920, 297
October.....	3, 331, 882	258, 107	(2)	612, 475, 435
November.....	3, 329, 616	257, 122	(2)	593, 900, 524
December.....	3, 412, 355	255, 185	552, 618	629, 538, 382
1945:				
January.....	3, 441, 518	256, 043	(2)	616, 535, 389
February.....	3, 471, 545	256, 497	(2)	634, 866, 625
March.....	3, 577, 409	256, 262	656, 999	632, 095, 080
April.....	3, 571, 690	253, 690	(2)	605, 006, 052
May.....	3, 554, 658	252, 768	(2)	615, 610, 163
June.....	3, 769, 646	257, 808	854, 170	626, 054, 424
July.....	3, 753, 791	255, 573	(2)	637, 752, 347
August.....	3, 705, 622	251, 090	(2)	648, 235, 085
September.....	3, 376, 558	239, 992	763, 190	555, 284, 367
October.....	3, 275, 953	232, 577	(2)	(2)
November.....	3, 213, 301	228, 373	(2)	(2)
December.....	3, 152, 305	228, 732	747, 300	(2)

<sup>1</sup> Figures prior to December 1941 apply to District of Columbia only.

<sup>2</sup> Not available.

<sup>3</sup> Excludes \$1,259,612 Ramspeck promotional pay roll.

<sup>4</sup> Includes about 3,000 without-compensation and \$1-per-year employees.

<sup>5</sup> Partially estimated.

<sup>6</sup> Revised. Excludes 105,100 persons rendering service on a reciprocal aid basis at Army installations overseas who are not actually on the United States pay roll. Such persons have been included in totals previously reported by the War Department for civilian employment outside the continental limits of the United States.

<sup>7</sup> Preliminary.

NOTE.—Employment before June 1943 represents number of employees on last regular pay roll in a given month; since June 1943, employment represents number of employees working on the last day of each month. Pay roll before June 1943 includes payments to civilian employees serving outside continental United States; since June 1943, pay roll excludes such payments to civilian employees outside continental United States. Pay roll represents expenditures for personal services during a given month (2 biweekly pay periods per month for July to September 1945) including overtime compensation, premium payments, night differentials, payments for accrued leave, payments to part-time workers, and fractional payments to individuals entering or leaving the Federal service during a month. Since December 1944 lump-sum payments for accrued annual leave have been included.

*Civilian employment outside the continental United States, Sept. 30, 1945*

Agency:

Alien Property Custodian.....	22
Office of Inter-American Affairs.....	1, 926
Foreign Economic Administration.....	762
Office of Defense Transportation.....	29
Office of Scientific Research and Development.....	9
War Production Board.....	21
War Shipping Administration.....	935
Office of Censorship.....	15
Office of Price Administration.....	549
Office of Strategic Services.....	448
Selective Service System.....	422
State.....	11, 637
Treasury.....	519
War.....	1 646, 457
Justice.....	296
Post Office.....	1, 439
Navy.....	55, 813
Interior.....	4, 812
Agriculture.....	1, 663
Commerce.....	2, 006
Labor.....	200
Civil Service Commission.....	17
Employees' Compensation Commission.....	29
Federal Communications Commission.....	145
Federal Deposit Insurance Corporation.....	2
Federal Security Agency.....	656
Federal Works Agency.....	281
Maritime Commission.....	18
National Housing Agency.....	36
National Labor Relations Board.....	4
Panama Canal.....	23, 725
Panama Railroad Company.....	7, 945
Reconstruction Finance Corporation.....	194
Smithsonian Institution.....	5
Veterans' Administration.....	153
Total.....	1 763, 190

<sup>1</sup> Revised. Excludes 105,100 persons rendering service on a reciprocal-aid basis at Army installations overseas who are not actually on the United States pay roll. Such persons have been included in totals previously reported by the War Department for civilian employment outside the continental limits of the United States.

Of the 763,190 civilians of the Federal Government serving outside the continental limits of the United States, approximately 692,000, or 91 percent, are employed by the War and Navy Departments. About 19,000 of these civilians in military and naval installations are in classified positions, i. e. "graded," whereas about 673,000 are laborers, helpers, mechanics, etc., in ungraded positions performing such work as road building, construction of facilities and related activities, maintenance and repair service, etc. A large proportion of the 71,000 employees of other agencies who are located outside the 48 States and District of Columbia are also engaged in these industrial types of work, while a substantial number are in the foreign-service activities, informational services, and other governmental functions.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. CANNON of Missouri. Mr. Chairman, a parliamentary inquiry. Under the rule debate is to be confined to the bill?

Mr. EBERHARTER. Mr. Chairman, a point of order. I do not yield for a parliamentary inquiry.

Mr. CANNON of Missouri. I shall have to object to any further debate not confined to the bill. I had requests on this side from Members who wanted to speak

on matters outside the bill but explained to them that under the rule debate is confined to the bill.

Mr. EBERHARTER. Mr. Chairman, I have not yielded to the gentleman.

The CHAIRMAN. The gentleman from Pennsylvania not having yet made a statement, it is impossible for the Chair to tell whether or not he is going to speak on the bill.

The gentleman from Pennsylvania will proceed in order.

Mr. EBERHARTER. Most members of the Committee on Appropriations are happy to report a bill here in which it is proposed to recapture some of the funds which had been heretofore appropriated. I remember that as a member of the Committee on Ways and Means I got a good deal of pleasure out of being able to concur with a majority of the members of that committee in recommending a new tax bill which reduced the taxes upon industry and upon the people of the country generally, the working man and the businessman both.

Mr. Chairman, speaking of taxes, which I think is inevitably bound up with the matter of appropriations, I wish to say that throughout our country today there are many people who firmly believe that the current labor unrest must be attributed in part to the present hodgepodge program of income taxation.

It is very likely that labor would not be making such strong demands for wage increases—if the men and women of labor were not struggling under a terrific income-tax burden.

Some persons are now saying, "This is no time to reduce income taxes." I say: This is the time to give men and women in all walks of life more spendable income—whether or not today's income is 70, 80, 90, or 100 percent of wartime levels.

An improved spendable income can only be a reality when Federal income taxes are at an equitable and just level—appropriate for our peacetime economy.

Therefore, in order to assure an increase in the spendable income in the hands of all people, I am now introducing a bill embodying the new approach to Federal income taxes which was suggested almost a year ago by Frank Wilbur Main, of Pittsburgh.

The incentive income-tax plan, authored by Mr. Main, has as one of its objectives the creation of more spendable income. The bill incorporates the incentive income-tax plan as conceived by Mr. Main. To be known as the Incentive Income Tax Act, 1946, the bill is designed to secure adequate revenues for our country to operate on a balanced budget. It will relieve some 18,000,000 present income taxpayers of the necessity of shouldering the burden of an income tax on top of their respective costs of living.

We all hope to be able to have new radios, new refrigerators, new cars—soon, might I say, very soon. We have been struggling along—thinking about such new things that make life more enjoyable and a little more comfortable.

When these consumer goods do come into our neighborhood stores, will you, will your neighbors, have enough money left, after paying present Federal income taxes, sheltering, feeding, and clothing your families, to afford these prewar necessities. Or must we lower



our standard of living, and class these former essentials as outright luxuries?

To assure the utmost in spendable income, the taxation program outlined by Mr. Main places the Government's revenue-securing system on a basis of peacetime economy. It gets back to basic fundamentals. It is a fresh concept of income taxation, entirely free of all the patchwork of our present tax laws, and aimed to replace the confused and unbalanced tax structure.

We all agree that in order to have a balanced Federal Budget, and to raise sufficient revenues for the proper conduct of all Government operations, an income tax is a necessity. If there is this unity of thought, then I welcome the utmost in consideration, and judgment, and discussion of this bill which specifies a tax on income.

Note that if you will, a tax on income, whether that income is earned by an individual, a partnership, or a corporation.

The bill provides that individuals and corporations be taxed alike on a graduated scale, starting at 25 percent of the first \$5,000 of net taxable income and extending upward with 5 percent increases until there is taxation of 50 percent on all net taxable income in excess of the initial \$25,000.

Under the provisions of the incentive income-tax plan which has been incorporated in this bill, it matters not if Brown-Jones, Inc., or Brown & Jones, as partners, or just Tom Brown, as an individual, has a net taxable income of, let us say, \$40,000 per year. Since income is the item taxed, and not individuals or corporations, the tax to be paid in all three instances would be relatively the same. There would be some differences, depending on personal and corporate exemptions.

To relieve the present drudging burden of taxation from the farmer, the returned veteran, the men and women of labor, the teacher, and the Army and Navy doctor starting out to build a practice, personal exemptions are substantially raised so that some 13,000,000 persons are removed from the Federal income tax rolls.

Why should the exemptions be raised? Take the case of the young, unmarried man—drafted from high school and now at work on his first civilian job. He earns \$25 a week. He pays approximately 5 weeks' wages as his Federal income tax. Can he afford to think of getting married, or of buying a car, or buying a good suit of clothes with the spendable income he now possesses? Neither he nor millions like him can hope to really get started in life, can become part of a mass market for goods of all descriptions, until spendable income improves.

Mr. Main has suggested the raising of the personal exemption from \$500 for a single man to \$1,250. The bill incorporates this suggestion as well as the increase to \$2,500 exemption for married couples and for a \$500 exemption for each dependent.

The bill is designed to provide incentive to buy the goods of our farms and factories. It is aimed to give incentive for investments. The main proposal should encourage millions in the lower

income brackets to forge ahead, to buy what they need to maintain a reasonable standard of living.

It is Mr. Main's belief that with startling rapidity a host of these taxpayers will be back on the tax rolls in a short time, having improved their economic status and their earning power to the extent that they can again directly contribute to income taxation in a higher bracket and at an equitable rate.

In the meantime, the proponent of the incentive income tax plan counts on these millions continuing the support and operation of our Government through the wide variety of taxes now in force, such as we all pay on cigarettes, alcohol, leather goods, amusements and gasoline.

The incentive income tax plan, incorporated in this bill, asks that the income of a corporation be taxed at identical rates as the income of an individual. It would have every corporation, regardless of its size, provided with a \$2,500 annual exemption.

The Incentive Income Tax Act, 1946, if adopted into law, would totally eliminate double taxation of dividends. Dividends paid to stockholders would be free from taxation.

This step, also proposed in the incentive income tax plan, has been hailed by many as providing great encouragement to a free flow of investment funds into old and established businesses, and into new and risk-taking one as well.

There does not seem to be much question that stimulated investment will aid in providing facilities for increased production of goods.

In order to have volume production, the factories must have volume buying, which in turn helps to create a national income sufficiently high to provide the revenues our Government must have to operate on a balanced budget.

The corporate form of doing business has many advantages—and some disadvantages. Mr. Main has seized upon one of the disadvantages—the taxation aimed specifically at corporations. It is his feeling that such taxation has prevented many business enterprises from enjoying the inherent benefits of corporate organization. In his plan, embodied in this bill, the taxation disadvantages have been wiped out and a pathway opened for many activities to become corporations. The bill specifies that each corporation would have only a single Federal income tax to pay each year.

According to the incentive income tax plan, sufficient revenues can be produced for a balanced Federal peacetime budget of \$25,000,000,000. Mr. Main has stated that this proposal includes the vital consideration of meeting obligations to our veterans, plus making possible a systematic retirement of our national debt.

I earnestly hope that this bill will be given the widest possible discussion. To my mind, the proposals made by Mr. Main have many most worthwhile possibilities. Of course, there are many who will seriously disagree with his suggestions.

Let the practical be balanced against the impractical. Let the separate features be most widely discussed. Let there be a deliberate weighing of all the

factors. It is only through deliberation and consideration that we can achieve the very best for our country and for its citizens in all walks of life.

Mr. Chairman, the bill I now introduce, has been hailed by many persons throughout our country as a sound and equitable answer to our income-tax problems of many years' standing. They have said that Mr. Main's proposal is a sure roadway to the creation of a national income of approximately \$160,000,000,000. Many economists have predicted that such a national income must be achieved if the United States is to have a vigorous and dynamic national economy. Their claim is that any smaller figure would put an unbearable strain on our economic life.

I agree with these economists when they also say that any detraction from healthy economic life leads toward deficit financing—which is always good to avoid.

I am very glad, Mr. Chairman, to present to the people of the country who have pleaded for relief from the emergency wartime taxation, these suggestions made by Frank Wilbur Main, of Pittsburgh.

He is a constituent of mine, a certified public accountant, and the senior partner of Main & Co., a Nation-wide organization. The abilities and the constructive thinking of Frank Wilbur Main have been recognized beyond the borders of Pittsburgh. His profession has honored him with many State and National duties, including the presidency of the American Society of Certified Public Accountants.

Here is constructive thinking on the part of Mr. Main for incentive and encouragement to men and women in all walks of life. Here is his proposal to create more spendable income and to encourage investment of capital. Through these suggestions, the incentive income-tax plan has been declared to be a stimulant to a high level of national income and a means of assuring the highest possible level of postwar employment. I now introduce the Incentive Income Tax Act, 1946.

Here is a brief summary of the important features of the incentive income-tax proposal:

#### INCENTIVE INCOME-TAX BILL, 1946

1. Incentive income-tax bill, 1946, introduced into the House on Wednesday, January 30, by Hon. HERMAN P. EBERHARTER, Pennsylvania; Democrat; Member of Ways and Means Committee.

2. Incorporates the incentive income-tax plan conceived by Frank Wilbur Main, of Pittsburgh, Pa.

3. Purpose:

1. A Federal income-tax structure offering incentive to all groups of citizens.

2. Correction of inequities and the elimination of many complications of existing tax laws.

3. Achievement of a balanced peacetime Federal Budget, with reduction of the national debt.

4. Stimulation of employment, encouragement of investments, maintenance of high national income and the creation of more spendable income in the hands of all people.

4. Principal provisions:

1. The taxing of income rather than of individuals or corporations as such.



2. Raises exemptions for single persons from \$500 to \$1,250—for married couples from \$1,000 to \$2,500—each dependent, \$500.

3. Reduces the number of Federal income taxpayers from 36,000,000 to 18,000,000.

4. Corporations pay a single Federal income tax at identical rate as paid by an individual.

5. After exemptions, these rates of tax on net taxable income apply:

Twenty-five percent on first \$5,000.  
Thirty percent on next \$5,000.  
Thirty-five percent on next \$5,000.  
Forty percent on next \$5,000.  
Forty-five percent on next \$5,000.  
Fifty percent on all net taxable income above \$25,000.

6. Elimination of stockholders paying taxes on their dividends.

7. Assuming a national income of one hundred and sixty billions, it is estimated that the income taxes produced under this act will, in combination with other Federal taxes, result in a total annual revenue of twenty-five and one-half billions.

8. All deductions for charitable contributions, interest payments, as well as all other allowable deductions—unchanged.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and I want to thank the gentleman from Missouri for carrying on in his usual manner when I first attempted to speak to the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, in response to the gentleman's suggestion he applied to me, and I was very anxious to give him time. I was anxious that he be heard. I think all Members of the House will agree with me that we listen to him always with pleasure and profit. But under the express provisions of the rule no extraneous debate is allowed. Debate is confined to the bill. Therefore much to my regret I was constrained to deny him time.

Mr. Chairman, these rules are always complied with. We should not incorporate in rules provisions we expect to violate. My only reason for declining to yield was because of the express provisions in the rule that debate should be confined to the bill, he having told me he wanted to discuss a matter not connected with the bill.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman is, of course, aware of the practice which occurs here every day during debate on a bill. When the rule provides that debate shall be confined to the bill, time after time Members get up and ask unanimous consent to speak out of order, and it is very seldom, in the hundreds of times I have heard that request made, that objection has been raised.

Mr. CANNON of Missouri. But the gentleman made no such request.

Mr. EBERHARTER. I certainly intended to make that request.

Mr. CANNON of Missouri. Regardless of his intentions, the gentleman did not make the request. I would not have objected under those circumstances. I greatly enjoyed the gentleman's speech. It is a matter of regret that under the rule I have no authority to recognize

him. I was constrained to comply with the provisions of the rule.

Mr. EBERHARTER. I will say that the gentleman, even before I began to make my remarks, attempted to interrupt without requesting that I yield to him, which he knows is a clear violation of the rules. I got the impression that he wanted to stop me absolutely from making any remarks on the floor of the House, he having in mind, of course, what I had told him at the time I made the request.

Mr. CANNON of Missouri. Mr. Chairman, I think the gentleman is a little ungracious. My only purpose in making the statement was to pay the gentleman a compliment. At any time during his speech, I could have made a point of order and have taken him from the floor. I did not do so. I granted him full time. I regret that the gentleman takes this position.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. EBERHARTER. Mr. Chairman, I just want to say for the record that I disagree with the gentleman that he could have taken me from the floor, because I think I was speaking in order. My statement at the beginning, when I had the floor, showed clearly the connection between the remarks I was making and the subject matter before the House. Taxation is inevitably and irretrievably connected with appropriations. If one is in order, certainly the other is also in order.

Mr. CANNON of Missouri. Mr. Chairman, the House knows the gentleman was not speaking on the bill. He told me when he asked for time that he wanted to discuss an extraneous subject. I could have stopped him at any time. I did not do so. I was glad to hear him and I enjoyed his remarks.

Mr. Chairman, I ask unanimous consent that general debate on the bill be now concluded.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. Under the rule the bill is considered as having been read for amendment.

The bill is as follows:

*Be it enacted, etc.,* That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unrevoked appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

#### TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

##### EXECUTIVE OFFICE OF THE PRESIDENT

##### Office for Emergency Management

Foreign Economic Administration: Salaries and expenses, \$3,884,400, and limitations under this head are hereby decreased as follows: (1) Travel within continental United States from "\$234,000" to "\$180,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$47,500", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000".  
Penalty mail costs, \$12,440.

National War Labor Board: Salaries and expenses, \$1,566,500.

Office of Defense Transportation: Salaries and expenses, \$3,075,000, and limitations under this head are hereby decreased as follows: (1) Traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from \$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000."

Office of Economic Stabilization: Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs, from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600."

Office of Inter-American Affairs: Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development: Salaries and expenses, \$56,101,792.

Office of War Information: Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500."

##### War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense), \$131,500, and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense), \$125,000, and the balance to remain available until December 31, 1945.

Migration of workers, \$479,000.

War Production Board: Salaries and expenses, \$10,000,000, and limitations under this head are hereby decreased as follows: (1) Travel expenses from "\$1,944,000" to "\$954,000", (2) penalty mail costs from "\$210,000" to "\$105,000", (3) printing and binding from "\$648,000" to "\$346,000", and (4) salary of the head of the agency from "\$15,000" to "\$12,000", except that so long as the position is held by the present incumbent the salary shall remain at \$15,000.

##### War Shipping Administration:

Revolving fund, \$195,452,000.

Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund, \$91,000,000.

Office of Censorship: Salaries and expenses, \$8,200,000.

Office of Price Administration: Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000."

Office of Strategic Services: Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000."

Petroleum Administration for War: Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000."

In all, Office for Emergency Management, \$440,794,164.

##### EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, \$45,000,000.

Defense aid—lend-lease:



(1) Ordnance and ordnance stores, supplies, spare parts, and materials, \$57,990,000.

(2) Aircraft and aeronautical material, \$85,705,000.

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories, \$24,461,000.

(4) Vessels, ships, boats, and other watercraft, \$76,080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning, or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States, \$73,266,000.

(7d) For necessary services and expenses for carrying out the purposes of such act not specified or included in the foregoing, \$43,943,000.

In all, emergency funds appropriated to the President, \$1,784,561,000.

#### INDEPENDENT OFFICES

Civil Service Commission: Salaries and expenses, Civil Service Commission (national defense), \$2,032,000.

Employees' Compensation Commission: Employees' compensation fund, \$1,761,644.

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000.

Federal Power Commission: National defense activities, \$17,628.

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics, \$2,000,000.

Selective Service System: Salaries and expenses, \$2,957,500.

United States Maritime Commission: Construction fund, act June 29, 1936, revolving fund, \$496,500,000.

#### Federal Security Agency

##### Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322."

#### Federal Works Agency

Office of the Administrator: War public works (community facilities), \$13,700,000.

##### Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, D. C., unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

#### National Housing Agency

##### Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby

amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this act, of Public Laws Nos. 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.

"(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: *Provided*, That all moneys in said account shall be covered into miscellaneous receipts not later than 2 years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist."

In all, independent offices, \$66,040,849.

#### EXECUTIVE DEPARTMENTS

##### [Non-War]

#### Department of Agriculture

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

Agricultural Research Administration:

Bureau of Animal Industry, salaries and expenses (meat inspection);

Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops);

Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine).

##### Forest Service:

Salaries and expenses (national forest protection and management);

Forest-fire cooperation.

#### Department of Commerce

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

#### Department of the Interior

Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000.

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War: Salaries and expenses, \$275,000, and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000."

#### Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

#### Government in the Territories

Emergency fund, Territories and island possessions (national defense), \$332,000.

#### Department of Justice

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$1,240,000.

#### Department of Labor

##### Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

##### Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

#### War Department

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, \$54,107,572.

In all, title I, \$2,945,503,585.

#### Miscellaneous Provisions, Title I

##### Reductions in contract authorizations

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

#### Executive Office of the President

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.



*Independent offices*

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$325,900,000.

*Federal Works Agency*

Public Roads Administration:  
Strategic highway network, \$1,484,363.  
Access roads, \$2,576,845.

*Reductions in limitations on administrative expenses*

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

*Executive Office of the President*

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

War Shipping Administration:

Revolving fund, \$4,312,000.

Maritime training fund, \$519,357.

*Independent offices*

Smaller War Plants Corporation: Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

*EXTENDING AVAILABILITY OF APPROPRIATIONS*

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title.

Executive Office of the President: Bureau of the Budget, national defense activities.

*Independent Offices:*

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency—Office of the Administrator:

Salaries and expenses, Office of Community War Services;

Expenses, temporary aid to enemy aliens and other restricted persons.

Department of the Interior—Office of the Secretary: Salaries and expenses, Division of Geography, Department of the Interior.

*CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY**Executive Office of the President*

Office for Emergency Management: Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation, \$315,500.

Prencinradio, Inc., \$875,000.

*General provisions*

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

*TITLE II—MILITARY ESTABLISHMENT**Office of Secretary of War:*

Contingencies of the Army, 1942-46, \$12,829,151.

Expediting production of equipment and supplies for national defense, 1940-46, \$282,892,000.

*General Staff Corps:*

Contingent fund, Chief of Staff, 1942-46, \$124,335,469.

Special field exercises, Army, 1942-46, \$51,246,874.

Finance Department: Finance Service, Army, 1942-46, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$26,030; and (2) Apprehension of deserters, \$171,000.

Quartermaster Corps: Quartermaster Service, Army, 1942-46, \$3,919,838,479, and subappropriations under this head are hereby decreased as follows: (1) Welfare of enlisted men, \$5,000,000; (2) subsistence of the Army, \$1,762,081,479; (3) regular supplies of the Army, \$541,018,000; (4) clothing and equipage, \$1,563,225,000; (5) horses, draft and pack animals, \$1,514,000; and (6) Army transportation, \$47,000,000.

Transportation Corps: Transportation Service, Army, 1945-46, \$704,268,000.

Signal Corps: Signal Service of the Army, 1942-46, \$1,675,684,000.

Air Corps: Air Corps, Army, 1942-46, \$11,799,313,000: *Provided*, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Medical Department: Medical and Hospital Department, Army, 1942-46, \$267,539,000.

Corps of Engineers: Engineer Service, Army, 1942-46, \$2,306,763,000, and subappropriations under this head are hereby decreased as follows: (1) Engineer Service, \$2,011,648,000; (2) Military posts, \$148,255,000; and (3) Barracks and quarters, Army, \$146,860,000.

Ordnance Department: Ordnance Service and Supplies, Army, 1942-46, \$8,100,000,000.

Chemical Warfare Service: Chemical Warfare Service, Army, 1942-46, \$997,870,000.

Special Service Schools: Special Service Schools, Army, 1942-46, \$178,000, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$81,000; (2) Cavalry activities, \$22,700; and (3) Field Artillery activities, \$74,300.

Seacoast defenses: Seacoast defenses, general, 1942-46, \$1,664,000.

United States Military Academy: Pay of Military Academy, 1942-46, \$21,000.

Inter-American Relations, War Department: Inter-American Relations, War Department, 1943-46, \$75,000.

*Office of the Secretary:*

Contingent expenses, War Department, 1942-46, \$1,200,000.

Printing and binding, War Department, 1942-46, \$18,000,000.

*Transfer of appropriations*

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kans., \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Ill., \$5,719;

Instruction in armored force activities, \$389,756;

Maintenance and operation, United States Military Academy, \$1,323,884;

Army of the Philippines, \$200,000,000: *Provided*, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any com-

ponent thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: *Provided further*, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: *Provided further*, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.

*General provision*

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents 12 years of age or over and of 2 cents per mile for dependents between 5 and 12 years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

*TITLE III—NAVAL ESTABLISHMENT**Office of the Secretary:*

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

Naval emergency fund:

Fiscal year 1945, \$25,477.

Fiscal year 1946, \$3,000,000.

Naval Research Laboratory:

Fiscal year 1944, \$5,185.

Fiscal year 1945, \$3,002.

Fiscal year 1946, \$90,000.

Operation and conservation of naval petroleum reserves:

Fiscal year 1944, \$6,986.

Fiscal year 1945, \$6,353.

Fiscal year 1946, \$18,000.

Ocean and lake surveys, Navy:

Fiscal year 1944, \$6,677.

Fiscal year 1945, \$21,298.

Bureau of Naval Personnel:

Naval War College:

Fiscal year 1944, \$4,521.

Fiscal year 1945, \$2,886.

Naval Training Station, San Diego, Calif.:

Fiscal year 1944, \$232,338.

Fiscal year 1945, \$327,515.

Naval Training Station, Newport, R. I.:

Fiscal year 1944, \$823.

Fiscal year 1945, \$256.

Naval Training Station, Great Lakes, Ill.:

Fiscal year 1944, \$459,244.

Fiscal year 1945, \$29,510.

Fiscal year 1946, \$700,000.

Naval Training Station, Norfolk, Va.:

Fiscal year 1944, \$4,488.

Fiscal year 1945, \$14,879.

Naval Training Station, Lake Pend Oreille, Idaho:

Fiscal year 1944, \$54,790.



Fiscal year 1945, \$604,708.  
 Naval Training Station, Lake Seneca, N. Y.:  
 Fiscal year 1944, \$38,894.  
 Fiscal year 1945, \$3,209.  
 Naval Training Station, Port Deposit, Md.:  
 Fiscal year 1945, \$2,794.  
 Fiscal year 1946, \$500,000.  
 Fleet training, Navy:  
 Fiscal year 1944, \$11,108.  
 Fiscal year 1945, \$164,695.  
 Fiscal year 1946, \$78,000.  
 Instruction, Navy:  
 Fiscal year 1944, \$2,151,364.  
 Fiscal year 1945, \$120,000.  
 Fiscal year 1946, \$6,000,000.  
 Libraries, Navy:  
 Fiscal year 1944, \$145,920.  
 Fiscal year 1945, \$1,693.  
 Fiscal year 1946, \$1,252,935.  
 Welfare and recreation, Navy:  
 Fiscal year 1944, \$903,681.  
 Fiscal year 1946, \$4,124,000.  
 Naval Reserve Officers' Training Corps:  
 Fiscal year 1944, \$237,300.  
 Fiscal year 1945, \$88,337.  
 Miscellaneous expenses, Bureau of Naval Personnel:  
 Fiscal year 1944, \$3,009.  
 Fiscal year 1945, \$124.  
 Fiscal year 1946, \$20,000.  
 Naval Reserve:  
 Fiscal year 1944, \$54,961,800.  
 Fiscal year 1945, \$24,511,154.  
 Fiscal year 1946, \$38,262,000.  
 Pay, Naval Academy:  
 Fiscal year 1944, \$88,394.  
 Fiscal year 1945, \$93,796.  
 Maintenance, Naval Academy:  
 Fiscal year 1944, \$6,877.  
 Fiscal year 1945, \$2,529.  
 Naval Home, Philadelphia, Pa.:  
 Fiscal year 1944, \$610.  
 Fiscal year 1945, \$1,250.  
 Naval prison farms and prison personnel:  
 Fiscal year 1944, \$10.  
 Fiscal year 1945, \$5,100.  
 Bureau of Ships:  
 Maintenance, Bureau of Ships:  
 Fiscal year 1942, \$43,907,135.  
 Fiscal year 1942-43, \$51,956,375.  
 Fiscal year 1943, \$64,050,351.  
 Fiscal year 1944, \$52,247,000.  
 Fiscal year 1945, \$118,474,000.  
 Fiscal year 1946, \$1,468,000,000.  
 Defense installations on merchant vessels, Navy, \$13,658,123.  
 Bureau of Ordnance:  
 Ordnance and ordnance stores, Navy:  
 Fiscal year 1944, \$551,226,542.  
 Fiscal year 1945, \$1,208,752,767.  
 Fiscal year 1946, \$2,575,225,500.  
 Bureau of Supplies and Accounts:  
 Pay, subsistence, and transportation, Navy, 1944, \$69,247,269.  
 Pay and subsistence of naval personnel, 1946, \$1,317,369,200.  
 Maintenance, Bureau of Supplies and Accounts, 1946, \$81,314,000.  
 Transportation of things, Navy, 1946, \$140,036,282.  
 Fuel, Navy, 1946, \$100,000,000.  
 Bureau of Medicine and Surgery:  
 Medical Department, Navy:  
 Fiscal year 1944, \$14,017,195.  
 Fiscal year 1945, \$12,238,592.  
 Fiscal year 1946, \$30,000,000.  
 Bureau of Yards and Docks:  
 Maintenance, Bureau of Yards and Docks:  
 Fiscal year 1944, \$2,431,496.  
 Fiscal year 1945, \$3,139,211.  
 Fiscal year 1946, \$5,000,000.  
 Public Works, Bureau of Yards and Docks, \$400,000,000, and the contract authorization for "Public Works, Bureau of Yards and Docks" available in the fiscal year 1946 is hereby reduced in the sum of \$1,248,510,540: *Provided*, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority: *Provided further*, That of this amount \$946,000,000 shall apply against advance base construction, material, and equipment: *Provided further*, That of the funds remaining avail-

able for advance base construction, material, and equipment, not to exceed \$6,000,000 shall be available toward reconstruction of the civilian economy of Guam.

#### Bureau of Aeronautics:

##### Aviation, Navy:

Fiscal year 1943, \$256,482,489.

Fiscal year 1943-44, \$193,929,557.

Fiscal year 1944, \$811,987,405.

Fiscal year 1945, \$1,468,753,102.

Fiscal year 1946, \$1,359,367,650, and sub-appropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$799,128,500" to "\$128,116,900", (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$168,803,200" to "\$44,934,000", and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$1,431,840,800" to "\$800,374,950"; the subappropriation "continuing experiments and development work, and so forth," is hereby increased from "\$81,272,500" to "\$148,256,500"; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

##### Marine Corps:

##### Pay, Marine Corps:

Fiscal year 1944, \$40,521,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

##### Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

##### Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

##### Pay of civil force, Office of Quartermaster General, Marine Corps:

Fiscal year 1944, \$844.

Fiscal year 1945, \$1,059.

##### General expenses, Marine Corps:

Fiscal year 1944, \$79,787,482.

Fiscal year 1945, \$56,737,554.

Fiscal year 1946, \$307,750,000.

##### Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$732,104,151.

Increase and replacement of naval vessels, armor, armament and ammunition, \$276,876,967.

Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of 5 advanced type combatant vessels and 17 minor craft.

##### Repair facilities, Navy:

Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy," available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.

##### Coast Guard:

##### Salaries, Office of Commandant, United States Coast Guard:

Fiscal year 1944, \$219.

Fiscal year 1945, \$133,293.

##### Pay and allowances, Coast Guard:

Fiscal year 1944, \$35,006,326.

Fiscal year 1945, \$8,658,922.

Fiscal year 1946, \$80,000,000.

##### General expenses, Coast Guard:

Fiscal year 1944, \$631,865.

Fiscal year 1945, \$1,289,896.

Fiscal year 1946, \$20,000,000.

##### Civilian employees, Coast Guard:

Fiscal year 1944, \$109,654.

Fiscal year 1945, \$200,633.

Establishing and improving aids to navigation, Coast Guard, \$346,000.

Acquisition of vessels and shore facilities, Coast Guard, \$2,741,000.

Retired pay, former Lighthouse Service, Coast Guard:

Fiscal year 1944, \$73,320.

Fiscal year 1945, \$48,109.

Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$25,536.

Salaries and expenses, Merchant Marine Inspection, Coast Guard:

Fiscal year 1944, \$899,401.

Fiscal year 1945, \$373,270.

Emergency construction, vessels and shore facilities, Coast Guard (Navy), \$231,000.

Special projects, vessels, Coast Guard (Navy), \$127,000.

Special projects, aids to navigation, Lighthouse Service, Coast Guard (Navy), \$28,699.

Special projects, aids to navigation, Coast Guard (Navy), \$556,000.

#### Navy Department

##### Salaries:

##### Salaries, Office of Secretary of the Navy:

Fiscal year 1944, \$78.

Fiscal year 1945, \$5,330.

##### Salaries, General Board, Navy Department:

Fiscal year 1944, \$3,826.

Fiscal year 1945, \$8,775.

##### Salaries, Naval Examining and Retiring Boards:

Fiscal year 1944, \$1,536.

Fiscal year 1945, \$5,662.

##### Salaries, Office of Naval Records and Library:

Fiscal year 1944, \$879.

Fiscal year 1945, \$7,035.

##### Salaries, Office of Judge Advocate General, Navy:

Fiscal year 1944, \$5,312.

Fiscal year 1945, \$36.

##### Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.

Fiscal year 1945, \$731.

##### Salaries, Board of Inspection and Survey, Navy Department:

Fiscal year 1944, \$3,452.

Fiscal year 1945, \$2,893.

##### Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.

Fiscal year 1945, \$18,647.

##### Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

##### Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.

##### Salaries, Naval Observatory:

Fiscal year 1944, \$38.

Fiscal year 1945, \$1,117.

##### Salaries, Bureau of Ships:

Fiscal year 1944, \$2.

##### Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.

Fiscal year 1945, \$151.

##### Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

##### Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

##### Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

##### Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

##### Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000."

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation



Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000."

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

Fiscal year 1945, \$94,942.

Fiscal year 1946, \$413,000.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.

Fiscal year 1945, \$40.

#### General provisions

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.

The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Navy Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.

In all, title III, \$14,370,964.

#### General provision

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this act, unless the President otherwise shall direct.

Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial

flights in order to continue his fitness for his primary technical skill: *Provided*, That in addition, on or before January 1, annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the 6-month period preceding the date of the report: *Provided further*, That the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

SEC. 301. This act may be cited as the "First Supplemental Surplus Appropriation Rescission Act, 1946."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, pursuant to House Resolution 499, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. CANNON of Missouri asked and was given permission to revise and extend his remarks.

#### AUTHORIZING THE PRESIDENT TO RETIRE CERTAIN OFFICERS AND ENLISTED MEN OF THE NAVY, MARINE CORPS, AND COAST GUARD

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (S. 1405) to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of January 29, 1946.)

Mr. VINSON. Mr. Speaker, the report which has just been read clearly, sets forth the issues that the conferees had to deal with. Of course, you recognize the fact that this bill has application only to the officers of the Regular

Navy and not to Reserve officers. It is what is classified as an involuntary method of retiring officers. When the bill was before the House, we thought that before an officer is retired at his temporary rank it should be passed on by a board appointed by the Secretary of the Navy. The Senate version was that it should be satisfactory to the Secretary of the Navy. The House conferees agreed to the Senate version. In every other respect the Senate conferees agreed to the position of the House. I think the Statement is so clear that there is nothing I can add to it which has not already been submitted.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I am glad to yield to the gentleman.

Mr. WADSWORTH. Will the gentleman explain the situation with reference to the rate of retirement pay?

Mr. VINSON. That is amendment No. 11. The Senate language provided that officers be retired on becoming 62 years of age with 75 percent of their active-duty pay, while the amendment of the House provides that the computation of the retired pay shall be at the rate of 2½ percent per annum of the active-duty pay multiplied by the number of years of service.

Mr. WADSWORTH. Which amendment prevailed?

Mr. VINSON. The House prevailed in its position.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### AUTHORIZING PRESIDENT TO APPOINT REAR ADM. EARLE W. MILLS TO UNITED STATES MARITIME COMMISSION

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 300 to authorize the President to appoint Rear Adm. Earle W. Mills, United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration without affecting his naval status and perquisites.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, the gentleman will recall at the time this bill was before the committee no question was raised as to the effect this bill might have upon the complexion of the members of the Maritime Commission. Since the committee reported out this bill, that question has arisen. From a study of the bill it is apparent that there is some possibility the bill does upset the bipartisan nature of the Maritime Commission. I assume, and I am sure that the chairman will agree, that the committee had no intention of disturbing the bipartisan nature of the Commission.

Mr. VINSON. The gentleman from New York is absolutely correct.



Mr. COLE of New York. Therefore, I assume the gentleman would have no objection to an amendment being offered which I intend to offer to this bill to make sure that the bipartisan nature of the Board is not changed in any way.

Mr. VINSON. We welcome it. The committee this morning acted favorably upon the suggestion that we put language in the bill so that there would be absolutely no doubt about preserving the bipartisan representation required by the statute in the personnel of the Shipping Board.

Mr. COLE of New York. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON].

Mr. CHURCH. Reserving the right to object, Mr. Speaker, I wonder if the gentleman will make a brief explanation of the bill.

Mr. VINSON. Yes. I intend to. I am trying to get unanimous consent now to consider the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the resolution, as follows:

*Resolved, etc., That notwithstanding the provisions of the act of July 31, 1894 (28 Stat. 205), as amended (title 5, U. S. C., sec. 62), or any other provisions of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Rear Adm. Earle W. Mills, an officer in the United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration, and the said Rear Admiral Mills' appointment to, acceptance of, and service in that office shall in no way affect any status, office, rank, or grade he may occupy or hold in the United States Navy or any component thereof, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of such status, office, rank, or grade: *Provided*, That so long as he holds the office of Chairman and member of the United States Maritime Commission Rear Admiral Mills shall have the rank and grade of rear admiral in the United States Navy or a higher rank and grade in the United States Navy, and he shall receive the pay and allowances payable to an officer serving on active duty with the rank and grade of rear admiral of the upper half in the United States Navy, or the pay and allowances of any higher rank which he may hold by reason of any promotion received prior to or subsequent to the date of approval of this act. In the event the salary prescribed by law for the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration exceeds his Navy pay and allowances, Rear Admiral Mills shall receive directly from the United States Maritime Commission the difference between his Navy pay and allowances and his salary as Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration.*

SEC. 2. In the performance of his duties as Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration, Rear Admiral Mills shall be subject to no supervision, control, restriction, or prohibition (naval, military, or otherwise) other than would be operative with respect to him if he were in no way connected with the Navy Department, the Naval Establishment, or the United States Navy, or any component thereof.

SEC. 3. Appropriations made for the United States Maritime Commission and the War Shipping Administration shall be available for reimbursement to the Navy Department of all pay and allowances received by Rear Admiral Mills from the Navy Department or its agencies while he is serving in the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration.

Mr. VINSON. Mr. Speaker, I ask for recognition on the bill.

The SPEAKER. The gentleman from Georgia is recognized.

Mr. VINSON. Mr. Speaker, the purpose of this bill is to permit the President to appoint Vice Admiral Mills Chairman of the Maritime Commission, and at the same time permit the admiral to be carried on the regular list as an officer of the United States Navy, and to draw all the emoluments from his rank as vice admiral in the Navy, doing identically in this case what was done when we made General Bradley the head of the Veterans' Administration. That is the entire bill. Otherwise the President could not appoint Admiral Mills Chairman of the Maritime Commission unless the admiral resigned from the Navy. The admiral does not care to resign. The President does not desire him to resign. So the White House suggested that we pass this same kind of a bill.

An amendment will be offered which will preserve the bipartisan relationship on the Maritime Commission.

Mr. COLE of New York. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Strike out the period after the word "Administration", in line 2 on page 3, and insert the following:

*"Provided further, That nothing in this joint resolution shall be construed to amend or alter in any manner section 1111 (a) of title 46 of the United States Code, which provides in part that not more than three of the members of the United States Maritime Commission shall be appointed from the same political party."*

The amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### FACT-FINDING BOARDS IN LABOR DISPUTES

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 500), which was referred to the House Calendar and ordered to be printed:

*Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4908) to provide for the appointment of fact-finding boards to investigate labor disputes seriously affecting the national public interest, and for other purposes; that after general debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Labor, the bill shall be read, and after the reading of the first section of such bill, it shall be in order to move to strike out all after the enacting clause*

and insert as a substitute the text of the bill H. R. 5262, and all points of order against such substitute are hereby waived; at the conclusion of the consideration of the bill H. R. 4908, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage, without intervening motion, except one motion to recommit, with or without instructions.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that the rule, which has just been reported, may be read so that the Members may understand what it is.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the resolution as above set out.

#### REPORT BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H. R. 2764.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

#### EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his own remarks in the RECORD and include therewith certain editorial comment in favor of the unification of the armed services.

Mr. FORAND asked and was given permission to extend his remarks and include a resolution; and also to extend his remarks by inserting an excellent address recently delivered by the gentleman from Massachusetts [Mr. McCORMACK].

Mr. DAVIS asked and was given permission to extend his remarks in the Appendix and include certain resolutions passed by the United States Conference of Mayors.

Mr. ROWAN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a telegram to the President of the United States and also a newspaper clipping.

Mr. JENNINGS asked and was given permission to extend his remarks in the RECORD and include therein an editorial from the New York Times of Wednesday, January 30.

Mr. GAMBLE asked and was given permission to extend his remarks on five topics and to include therein newspaper articles and editorials.

Mr. MICHENER (at the request of Mr. MARTIN of Massachusetts) was given permission to revise and extend the remarks he made this afternoon.

Mr. MARCANTONIO asked and was given permission to revise and extend the remarks he made in the House today; and also to extend his remarks in the Appendix and include a newspaper article.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and in-







79<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5158

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IN THE SENATE OF THE UNITED STATES

JANUARY 31 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the appropriations and contractual authorizations of  
4        the departments and agencies available in the fiscal year  
5        1946, and prior year unreverted appropriations, are hereby  
6        reduced in the sums hereinafter set forth, such sums to be  
7        carried to the surplus fund and covered into the Treasury  
8        immediately upon the approval of this Act:



1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$3,884,400, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from “\$234,-  
10 000” to “\$180,000”, (2) reimbursement to employees  
11 for emergency or extraordinary expenses from “\$75,-  
12 000” to “\$47,500”, and (3) expenses of a confi-  
13 dential character from “\$1,200,000” to “\$100,000”.

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from “\$452,500” to “\$150,000”,  
21 (2) printing and binding from “\$47,500” to “\$14,000”  
22 (of which the amount available outside continental  
23 United States is decreased from “\$1,800” to “\$500”),  
24 and (3) penalty mail costs from “\$118,900” to  
25 “\$53,000”.

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750"; (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),

1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3       Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6       Migration of workers, \$479,000.

7       War Production Board:

8       Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      Travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to "\$105,-  
12      000", (3) printing and binding from "\$648,000" to  
13      "\$346,000", and (4) salary of the head of the agency  
14      from "\$15,000" to "\$12,000", except that so long as  
15      the position is held by the present incumbent the salary  
16      shall remain at \$15,000.

17      War Shipping Administration:

18      Revolving fund, \$195,452,000.

19      Maritime training fund, \$25,000,000.

20      Marine and war risk insurance fund, revolving fund,  
21      \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24      Salaries and expenses, \$25,929,000, and limitations



under this head are hereby decreased as follows: (1) Printing and binding from “\$1,470,000” to “\$961,064”, (2) traveling expenses from “\$7,949,700” to “\$6,780,000”, and (3) penalty mail costs from “\$5,210,550” to “\$3,085,000”.

Office of Strategic Services:

Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from “\$10,500,000” to “\$3,000,000”, and (2) expenditures for objects of a confidential nature from “\$10,000,000” to “\$2,750,000”.

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from “\$250,000” to “\$125,000”, and (2) travel expenses from “\$263,700” to “\$100,000”.

In all, Office for Emergency Management, \$440,794,164.

EMERGENCY FUNDS APPROPRIATED TO THE  
PRESIDENT

Emergency fund for the President, national defense,  
\$45,000,000.

1        Defense aid—lend-lease:

2        (1) Ordnance and ordnance stores, supplies, spare  
3 parts, and materials, \$57,990,000.

4        (2) Aircraft and aeronautical material, \$85,705,000.

5        (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8        (4) Vessels, ships, boats, and other watercraft,  
9 \$76,080,000.

10       (5) Miscellaneous military equipment, supplies and ma-  
11 terials, \$8,963,000.

12       (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15       (7) Agricultural, industrial, and other commodities and  
16 articles, \$1,351,216,000, and the \$500,000,000 made avail-  
17 able by title II of the Second Deficiency Appropriation Act,  
18 1945, as a reserve for expenditure for postwar price support  
19 of agriculture shall be paid to the Commodity Credit Corpo-  
20 ration and continued as a reserve fund for expenditure, as  
21 and when necessary, for the postwar price support of  
22 agriculture.

23       (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good working

1 order any defense articles for the government of any country  
2 whose defense the President deems vital to the defense of  
3 the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

## 9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national  
16 defense), \$465,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund,  
24 Act June 29, 1936, revolving fund, \$496,500,000.



## 1 FEDERAL SECURITY AGENCY

## 2 Public Health Service:

3 Health and sanitation activities, war and defense  
4 areas (national defense), \$392,568.

5 Malaria and diseases of tropical origin (national  
6 defense), \$1,862,501.

7 Training for nurses (national defense), \$15,557,-  
8 000, and the limitation on the amount which may be  
9 expended for administrative expenses is hereby decreased  
10 from "\$788,255" to "\$611,322".

## 11 FEDERAL WORKS AGENCY

12 Office of the Administrator: War public works (com-  
13 munity facilities), \$13,700,000.

## 14 Public Buildings Administration:

15 Emergency safeguarding of public buildings and  
16 property, \$750,000.

17 Construction of temporary office buildings, Washing-  
18 ton, District of Columbia, unobligated balance.

19 Public Roads Administration: Flight strips (national de-  
20 fense), \$318,008.

## 21 NATIONAL HOUSING AGENCY

## 22 Office of the Administrator:

23 War housing, \$74,355,000.

24 War housing in and near the District of Columbia,  
25 \$3,372,000.

1       Reserves: From the reserve account established by the  
2   National Housing Administrator in the Treasury pursuant  
3   to section 303 of Public Law 849, Seventy-sixth Congress,  
4   approved October 14, 1940, as amended, \$50,000,000.

5       Section 303 of the Act of October 14, 1940, as amended  
6   (42 U. S. C. 1521), is hereby amended by inserting “(a)”  
7   after the figures “303”, and adding the following new sub-  
8   sections:

9       “(b) Moneys derived by the National Housing Admin-  
10   istrator from the disposition of property, or from the removal  
11   of temporary housing, acquired or constructed under the  
12   provisions of this Act, of Public Laws Numbered 9, 73,  
13   and 353, Seventy-seventh Congress, and of section 201 of  
14   the Second Supplemental National Defense Appropriation  
15   Act, 1941, as amended, shall be available for expenses of  
16   disposition and removal, including the establishment of nec-  
17   essary reserves therefor and administrative expenses in con-  
18   nection therewith: *Provided*, That moneys derived by said  
19   Administrator from the disposition of any such property or  
20   the removal of any such temporary housing may be deposited  
21   in a common fund account or accounts in the Treasury:  
22   *And provided further*, That except for necessary reserves  
23   authorized by this Act or by section 201 of the Second Sup-  
24   plemental National Defense Appropriation Act, 1941, as

1 amended, the unobligated balances of the moneys deposited  
2 into the Treasury from the disposition of any such property  
3 or the removal of any such temporary housing shall be  
4 covered at the end of each fiscal year into miscellaneous  
5 receipts.

6 “(c) Moneys in the reserve account established by  
7 the National Housing Administrator pursuant to subsections  
8 (a) and (b) of this section 303 shall not exceed \$25,000,000  
9 at any time: *Provided*, That all moneys in said account  
10 shall be covered into miscellaneous receipts not later than  
11 two years after the President shall have declared that the  
12 emergency declared by him on September 8, 1939, has  
13 ceased to exist.”

14 In all, independent offices, \$666,040,849.

## 15 EXECUTIVE DEPARTMENTS

### 16 [Non-War]

#### 17 DEPARTMENT OF AGRICULTURE

18 Emergency rubber project, \$1,649,790, and the balance  
19 remaining shall be used to liquidate such project, including  
20 the elimination of the remaining plantations, the rehabili-  
21 tation and return of leased lands to the owners and the dis-  
22 posal of other property according to law, and for the  
23 continuation of the production, breeding, and disease phases  
24 of guayule research on indicator plots and experimental



1 areas until June 30, 1946: *Provided*, That any balances  
2 remaining shall be available until December 31, 1946, for  
3 completing the liquidation of the emergency rubber project.

4 War Food Administration: Salaries and expenses, \$3,-  
5 116,894.

6 Emergency supplies for Territories and possessions,  
7 \$25,000,000.

8 The following appropriations shall be so administered  
9 as to avoid the incurrence of deficiencies therein except for  
10 such added expense occasioned by the Federal Employees  
11 Pay Act of 1945 as it may not be practicable to absorb,  
12 namely:

13 Bureau of Agricultural Economics, salaries and expenses  
14 (crop and livestock estimates).

15 Office of Foreign Agricultural Relations, salaries and  
16 expenses.

17 Agricultural Research Administration:

18 Bureau of Animal Industry, salaries and expenses  
19 (meat inspection) ;

20 Bureau of Plant Industry, Soils, and Agricultural  
21 Engineering, salaries and expenses (fruit, vegetable, and  
22 specialty crops) ;

23 Bureau of Entomology and Plant Quarantine,  
24 salaries and expenses (foreign plant quarantine) .

1 Forest Service:

2 Salaries and expenses (national forest protec-  
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National  
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-  
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered as  
11 to avoid the incurrence of deficiencies therein except for such  
12 added expense occasioned by the Federal Employees Pay  
13 Act of 1945 as it may not be practicable to absorb, namely:

14 Coast and Geodetic Survey, salaries and expenses,  
15 departmental;

16 Patent Office, salaries;

17 Weather Bureau, salaries and expenses.

18 DEPARTMENT OF THE INTERIOR

19 Office of the Secretary: Salaries and expenses, Division  
20 of Geography, \$13,000.

21 War Relocation Authority: Salaries and expenses, War  
22 Relocation Authority, Department of the Interior, \$2,500,-  
23 000.

24 Office of Fishery Coordination: Salaries and expenses,  
25 \$57,000.

1 Solid Fuels Administration for War:

2 Salaries and expenses, \$275,000, and on April 1,  
3 1946, the sum of \$150,000 of said appropriation shall be  
4 transferred to the appropriation "Economics of mineral  
5 industries", Bureau of Mines, and the limitation in said  
6 latter appropriation for personal services in the District  
7 of Columbia shall be increased from "\$397,500" to  
8 "\$529,000".

9 Bureau of Mines

10 Enforcement of Federal Explosives Act, \$27,900.

11 Investigation of raw-material resources for steel produc-  
12 tion (national defense), \$180,000.

13 Construction and equipment of helium plants, \$260,000.

14 Manganese beneficiation pilot plants and research (na-  
15 tional defense), \$50,000.

16 Production of alumina from low-grade bauxite, alumi-  
17 num clays and alunite (national defense), \$200,000.

18 Investigation of bauxite and alunite ores and aluminum  
19 clay deposits (national defense), \$350,000.

20 Magnesium pilot plants and research (national defense),  
21 \$150,000.

22 Investigation of deposits of critical and essential minerals  
23 in the United States and its possessions (national defense),  
24 \$420,000.



## 1 GOVERNMENT IN THE TERRITORIES

2 Emergency fund, Territories and island possessions  
3 (national defense), \$332,000.

## 4 DEPARTMENT OF JUSTICE

5 Legal activities and general administration: Salaries  
6 and expenses, War Division, \$100,000.

7 Federal Bureau of Investigation: Salaries and expenses,  
8 detection and prosecution of crimes (emergency), \$1,240,-  
9 000.

## 10 DEPARTMENT OF LABOR

11 Office of the Secretary:

12 Salaries and expenses (national defense), \$1,388.

13 Salaries and expenses, safety and health program  
14 (national defense), \$60,000.

15 Children's Bureau:

16 Grants to States for emergency maternity and infant  
17 care (national defense), \$8,113,600: *Provided*, That  
18 such reduced amount shall not affect the amount to be  
19 allotted to the States for administrative expenses as  
20 authorized in the Department of Labor Appropriation  
21 Act, 1946.

## 22 WAR DEPARTMENT

23 The Panama Canal: Maintenance and operation of the  
24 Panama Canal, \$5,000,000.

1 In all, executive departments, \$54,107,572.

2 In all, title I, \$2,945,503,585.

3 Miscellaneous Provisions, Title I

4 REDUCTIONS IN CONTRACT AUTHORIZATIONS

5 Contract authorizations of the departments and agencies  
6 available in the fiscal year 1946 are hereby reduced in the  
7 sums hereinafter set forth:

8 EXECUTIVE OFFICE OF THE PRESIDENT

9 Emergency funds appropriated to the President: De-  
10 fense aid—lend-lease, \$600,000,000.

11 INDEPENDENT OFFICES

12 United States Maritime Commission: Construction fund.  
13 Act June 29, 1936, revolving fund, \$325,900,000.

14 FEDERAL WORKS AGENCY

15 Public Roads Administration:

16 Strategic highway network, \$1,484,363:

17 Access roads, \$2,576,845.

18 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

19 EXPENSES

20 Limitations on amounts from funds of corporations and  
21 other agencies for administrative expenses are hereby reduced  
22 in the following sums:

23 EXECUTIVE OFFICE OF THE PRESIDENT

24 Office for Emergency Management: Foreign Eco-

1    nomic Administration, Rubber Development Corporation,  
2    \$249,500.

3       War Shipping Administration:

4       Revolving fund, \$4,312,000.

5       Maritime training fund, \$519,357.

6                   INDEPENDENT OFFICES

7       Smaller War Plants Corporation:

8       Administrative expenses, \$1,550,000, and the limi-  
9       tation under this head on the amount of penalty-mail  
10      costs is hereby decreased from "\$50,000" to "\$40,000".

11      United States Maritime Commission:

12      Construction fund, Act June 29, 1936, revolving  
13      fund, \$2,687,450.

14                   EXTENDING AVAILABILITY OF APPROPRIATIONS

15      The following appropriations for the fiscal year 1946 are  
16      hereby continued available until June 30, 1946, except as  
17      modified in this title.

18      Executive Office of the President:

19      Bureau of the Budget, national defense activities.

20      Independent Offices:

21                   Civil Service Commission, salaries and expenses  
22                   (national defense).

23                   Federal Communications Commission, salaries  
24                   and expenses (national defense).



1 Federal Power Commission: National defense  
2 activities.

3 Federal Security Agency:

4 Office of the Administrator:

5 Salaries and expenses, Office of Community  
6 War Services;

7 Expenses, temporary aid to enemy aliens and  
8 other restricted persons.

9 Department of the Interior:

10 Office of the Secretary:

11 Salaries and expenses, Division of Geography,  
12 Department of the Interior.

13 CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Office for Emergency Management:

16 Office of Inter-American Affairs: The Director of  
17 the Office of Inter-American Affairs is hereby directed  
18 to deposit in the Treasury of the United States as miscel-  
19 laneous receipts the following sums representing excess  
20 funds of corporations created by the Coordinator of  
21 Inter-American Affairs under authority of law:

22 Institute of Inter-American Transportation,  
23 \$315,500.

24 Prencinradio, Incorporated, \$875,000.

## GENERAL PROVISIONS

2 In order to accomplish the liquidation of any tem-  
3 porary agency of the Government created to perform func-  
4 tions in connection with the national security and defense,  
5 there may be transferred to such liquidating agency as the  
6 President may designate such amount from the funds of the  
7 agency to be liquidated as the Bureau of the Budget shall  
8 determine is necessary therefor.

## TITLE II—MILITARY ESTABLISHMENT

10      Office of Secretary of War:

11 Contingencies of the Army, 1942-1946, \$12,829,-  
12 151.

13 Expediting Production of Equipment and Supplies  
14 for National Defense, 1940-1946, \$282,892,000.

15      General Staff Corps:

16 Contingent Fund, Chief of Staff, 1942-1946, \$124,-  
17 335,489.

18 Special Field Exercises, Army, 1942-1946, \$51,-  
19 246,874.

20 Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and  
subappropriations under this head are hereby decreased  
as follows: (1) Expenses of courts martial, \$36,000;  
and (2) Apprehension of deserters, \$171,000.

1       Quartermaster Corps:

2           Quartermaster Service, Army, 1942-1946, \$3,919,-  
3       838,479, and subappropriations under this head are  
4       hereby decreased as follows: (1) Welfare of enlisted  
5       men, \$5,000,000; (2) subsistence of the Army,  
6       \$1,762,081,479; (3) regular supplies of the Army,  
7       \$541,018,000; (4) clothing and equipage, \$1,563,-  
8       225,000; (5) horses, draft and pack animals,  
9       \$1,514,000; and (6) Army transportation, \$47,-  
10      000,000.

11      Transportation Corps:

12           Transportation Service, Army, 1945-1946, \$704,-  
13      268,000.

14      Signal Corps:

15           Signal Service of the Army, 1942-1946, \$1,675,-  
16      684,000.

17      Air Corps:

18           Air Corps, Army, 1942-1946, \$11,799,313,000:  
19      *Provided*, That before any permanent fields are deter-  
20      mined upon or permanent buildings erected thereon the  
21      Air Corps shall submit to Congress a list of such fields  
22      and the justification therefor.



1 Medical Department:

2 Medical and Hospital Department, Army, 1942-  
3 1946, \$267,539,000.

4 Corps of Engineers:

5 Engineer Service, Army, 1942-1946, \$2,306,-  
6 763,000, and subappropriations under this head are  
7 hereby decreased as follows: (1) Engineer Service,  
8 \$2,011,648,000; (2) Military posts, \$148,255,000;  
9 and (3) Barracks and quarters, Army, \$146,860,000.

10 Ordnance Department:

11 Ordnance Service and Supplies, Army, 1942-1946,  
12 \$8,100,000,000.

13 Chemical Warfare Service:

14 Chemical Warfare Service, Army, 1942-1946,  
15 \$997,870,000.

16 Special Service Schools:

17 Special Service Schools, Army, 1942-1946, \$178,-  
18 000, and subappropriations under this head are hereby  
19 decreased as follows: (1) Infantry School, \$81,000;  
20 (2) Cavalry activities, \$22,700; and (3) Field Ar-  
21 tillery activities, \$74,300.

22 Seacoast defenses:

23 Seacoast defenses, general, 1942-1946, \$1,664,000.

24 United States Military Academy: Pay of Military  
25 Academy, 1942-1946, \$21,000.

1 Inter-American Relations, War Department: Inter-  
2 American Relations, War Department, 1943-1946, \$75,000.

3 Office of the Secretary:

4 Contingent expenses, War Department, 1942-1946,  
5 \$1,200,000.

6 Printing and binding, War Department, 1942-1946,  
7 \$18,000,000.

8 TRANSFER OF APPROPRIATIONS

9 In addition to the transfers authorized by section 3 of  
10 the Military Appropriation Act, 1946, transfers of not to  
11 exceed the amounts hereinafter set forth may be made, with  
12 the approval of the Bureau of the Budget, from the appro-  
13 priation "Ordnance Service and Supplies, Army", to the  
14 following appropriations:

15 Army War College, \$23,819;

16 Command and General Staff School, Fort Leavenworth,  
17 Kansas, \$30,189;

18 Quartermaster Service, Army, \$7,881,967;

19 Rock Island Bridge, Rock Island, Illinois, \$5,719;

20 Instruction in armored force activities, \$389,756;

21 Maintenance and Operation, United States Military  
22 Academy, \$1,323,884;

23 Army of the Philippines, \$200,000,000: *Provided*,  
24 That service in the organized military forces of the Govern-  
25 ment of the Commonwealth of the Philippines, while such

1 forces were in the service of the armed forces of the United  
2 States pursuant to the military order of the President of the  
3 United States dated July 26, 1941, shall not be deemed to  
4 be or to have been service in the military or naval forces of  
5 the United States or any component thereof for the purposes  
6 of any law of the United States conferring rights, privileges,  
7 or benefits upon any person by reason of the service of such  
8 person or the service of any other person in the military or  
9 naval forces of the United States or any component thereof,  
10 except benefits under (1) the National Service Life Insur-  
11 ance Act of 1940, as amended, under contracts heretofore  
12 entered into, and (2) laws administered by the Veterans'  
13 Administration providing for the payment of pensions on  
14 account of service-connected disability or death: *Provided*  
15 *further*, That such pensions shall be paid at the rate of one  
16 Philippine peso for each dollar authorized to be paid under  
17 the laws providing for such pensions: *Provided further*,  
18 That any payments heretofore made under any such law to  
19 or with respect to any member of the military forces of the  
20 Government of the Commonwealth of the Philippines who  
21 served in the service of the armed forces of the United States  
22 shall not be deemed to be invalid by reason of the circum-  
23 stances that his service was not service in the military or  
24 naval forces of the United States or any component thereof  
25 within the meaning of such law.



## GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

## TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

- 1        Naval emergency fund:
- 2            Fiscal year 1945, \$25,477.
- 3            Fiscal year 1946, \$3,000,000.
- 4        Naval Research Laboratory:
- 5            Fiscal year 1944, \$5,185.
- 6            Fiscal year 1945, \$3,002.
- 7            Fiscal year 1946, \$90,000.
- 8        Operation and conservation of naval petroleum reserves:
- 9            Fiscal year 1944, \$6,986.
- 10           Fiscal year 1945, \$6,353.
- 11           Fiscal year 1946, \$18,000.
- 12        Ocean and lake surveys, Navy:
- 13           Fiscal year 1944, \$6,677.
- 14           Fiscal year 1945, \$21,298.
- 15        Bureau of Naval Personnel:
- 16        Naval War College:
- 17           Fiscal year 1944, \$4,521.
- 18           Fiscal year 1945, \$2,886.
- 19        Naval Training Station, San Diego, California:
- 20           Fiscal year 1944, \$232,338.
- 21           Fiscal year 1945, \$327,515.
- 22        Naval Training Station, Newport, Rhode Island:
- 23           Fiscal year 1944, \$823.
- 24           Fiscal year 1945, \$256.

1 Naval Training Station, Great Lakes, Illinois:

2 Fiscal year 1944, \$459,244.

3 Fiscal year 1945, \$29,510.

4 Fiscal year 1946, \$700,000.

5 Naval Training Station, Norfolk, Virginia:

6 Fiscal year 1944, \$4,488.

7 Fiscal year 1945, \$14,879.

8 Naval Training Station, Lake Pend Oreille, Idaho:

9 Fiscal year 1944, \$54,790.

10 Fiscal year 1945, \$604,708.

11 Naval Training Station, Lake Seneca, New York:

12 Fiscal year 1944, \$38,894.

13 Fiscal year 1945, \$3,209.

14 Naval Training Station, Port Deposit, Maryland:

15 Fiscal year 1945, \$2,794.

16 Fiscal year 1946, \$500,000.

17 Fleet training, Navy:

18 Fiscal year 1944, \$11,108.

19 Fiscal year 1945, \$164,695.

20 Fiscal year 1946, \$78,000.

21 Instruction, Navy:

22 Fiscal year 1944, \$2,151,364.

23 Fiscal year 1945, \$120,000.

24 Fiscal year 1946, \$6,000,000.



1     Libraries, Navy:

2             Fiscal year 1944, \$145,920.

3             Fiscal year 1945, \$1,693.

4             Fiscal year 1946, \$1,252,935.

5     Welfare and recreation, Navy:

6             Fiscal year 1944, \$903,681.

7             Fiscal year 1946, \$4,124,000.

8     Naval Reserve Officers' Training Corps:

9             Fiscal year 1944, \$237,300.

10            Fiscal year 1945, \$88,337.

11    Miscellaneous expenses, Bureau of Naval Personnel:

12            Fiscal year 1944, \$3,009.

13            Fiscal year 1945, \$124.

14            Fiscal year 1946, \$20,000.

15    Naval Reserve:

16            Fiscal year 1944, \$54,961,800.

17            Fiscal year 1945, \$24,511,154.

18            Fiscal year 1946, \$38,262,000.

19    Pay, Naval Academy:

20            Fiscal year 1944, \$88,394.

21            Fiscal year 1945, \$93,796.

22    Maintenance, Naval Academy:

23            Fiscal year 1944, \$6,877.

24            Fiscal year 1945, \$2,529.

1 Naval Home, Philadelphia, Pennsylvania:

2 Fiscal year 1944, \$610.

3 Fiscal year 1945, \$1,250.

4 Naval prison farms and prison personnel:

5 Fiscal year 1944, \$10.

6 Fiscal year 1945, \$5,100.

7 Bureau of Ships:

8 Maintenance, Bureau of Ships:

9 Fiscal year 1942, \$43,907,135.

10 Fiscal year 1942-43, \$51,956,375.

11 Fiscal year 1943, \$64,050,351.

12 Fiscal year 1944, \$52,247,000.

13 Fiscal year 1945, \$118,474,000.

14 Fiscal year 1946, \$1,468,000,000.

15 Defense installations on merchant vessels, Navy.

16 \$13,658,123.

17 Bureau of Ordnance:

18 Ordnance and ordnance stores, Navy:

19 Fiscal year 1944, \$551,226,542.

20 Fiscal year 1945, \$1,208,752,767.

21 Fiscal year 1946, \$2,575,225,500.

22 Bureau of Supplies and Accounts:

23 Pay, subsistence, and transportation, Navy, 1944,

24 \$69,247,269.

- 1 Pay and subsistence of naval personnel, 1946, \$1,317,-
- 2 369,200.
- 3 Maintenance, Bureau of Supplies and Accounts, 1946,
- 4 \$81,314,000.
- 5 Transportation of things, Navy, 1946, \$140,036,282.
- 6 Fuel, Navy, 1946, \$100,000,000.
- 7 Bureau of Medicine and Surgery:
- 8 Medical Department, Navy:
- 9 Fiscal year 1944, \$14,017,195.
- 10 Fiscal year 1945, \$12,238,592.
- 11 Fiscal year 1946, \$30,000,000.
- 12 Bureau of Yards and Docks:
- 13 Maintenance, Bureau of Yards and Docks:
- 14 Fiscal year 1944, \$2,431,496.
- 15 Fiscal year 1945, \$3,139,211.
- 16 Fiscal year 1946, \$5,000,000.
- 17 Public Works, Bureau of Yards and Docks, \$400,000,-
- 18 000, and the contract authorization for "Public Works,
- 19 Bureau of Yards and Docks" available in the fiscal year
- 20 1946 is hereby reduced in the sum of \$1,248,510,540: *Pro-*
- 21 *vided*, That the rescission of \$400,000,000 of the appropria-
- 22 tion shall not act to reduce further the contract authority:
- 23 *Provided further*, That of this amount \$946,000,000 shall
- 24 apply against advance base construction, material, and equip-
- 25 ment: *Provided further*, That of the funds remaining avail-



1 able for advance base construction, material, and equipment,  
2 not to exceed \$6,000,000 shall be available toward recon-  
3 struction of the civilian economy of Guam.

4 Bureau of Aeronautics:

5 Aviation, Navy:

6 Fiscal year 1943, \$256,482,489.

7 Fiscal year 1943-44, \$193,929,557.

8 Fiscal year 1944, \$811,987,405.

9 Fiscal year 1945, \$1,468,753,102.

10 Fiscal year 1946, \$1,359,367,650, and subappro-  
11 priations under this head are hereby decreased as fol-  
12 lows: (1) New construction and procurement of aircraft  
13 and equipment, spare parts, and so forth, from "\$799,-  
14 128,500" to "\$128,116,900", (2) replacement of navi-  
15 gational and radio equipment for aircraft in service, and  
16 so forth, from "\$168,808,200" to "\$44,934,000", and  
17 (3) maintenance, repair, and operation of aircraft fac-  
18 tory, air stations, and so forth, from "\$1,431,840,800"  
19 to "\$800,374,950"; the subappropriation "continuing  
20 experiments and development work, and so forth," is  
21 hereby increased from "\$81,272,500" to "\$148,256,-  
22 500"; and the unobligated portion of the contract  
23 authorization provided under this head is hereby re-  
24 pealed.

- 1 Marine Corps:
- 2 Pay, Marine Corps:
- 3 Fiscal year 1944, \$40,521,480.
- 4 Fiscal year 1945, \$10,000,000.
- 5 Fiscal year 1946, \$69,913,260.
- 6 Pay of civil force, Offices of Commandant of Marine
- 7 Corps and Director of Personnel:
- 8 Fiscal year 1944, \$358.
- 9 Fiscal year 1945, \$174.
- 10 Pay of civil force, Office of Paymaster General, Marine
- 11 Corps:
- 12 Fiscal year 1944, \$330.
- 13 Fiscal year 1945, \$118.
- 14 Pay of civil force, Office of Quartermaster General,
- 15 Marine Corps:
- 16 Fiscal year 1944, \$844.
- 17 Fiscal year 1945, \$1,059.
- 18 General expenses, Marine Corps:
- 19 Fiscal year 1944, \$79,787,482.
- 20 Fiscal year 1945, \$56,737,554.
- 21 Fiscal year 1946, \$307,750,000.
- 22 Increase and replacement of naval vessels:
- 23 Increase and replacement of naval vessels, construc-
- 24 tion and machinery, \$732,104,151.

1           Increase and replacement of naval vessels, armor,  
2   armament and ammunition, \$276,876,967.

3           Increase and replacement of naval vessels, emer-  
4   gency construction, \$38,385,489: *Provided*, That the  
5   balances remaining of appropriations under "Increase  
6   and replacement of naval vessels" shall not be available  
7   for the period of the fiscal year 1946 subsequent to  
8   October 16, 1945, for beginning the construction of any  
9   new vessels, except, not to exceed \$24,100,000 may be  
10   available during the fiscal year 1946 against the con-  
11   struction of five advanced type combatant vessels and  
12   seventeen minor craft.

13   Repair facilities, Navy:

14           Repair facilities, Navy, \$38,266,050, and the con-  
15   tract authorization for "Repair facilities, Navy", avail-  
16   able in the fiscal year 1946 is hereby reduced in the  
17   sum of \$27,562,131.

18   Coast Guard:

19           Salaries, Office of Commandant, United States Coast  
20   Guard:

21           Fiscal year 1944, \$219.

22           Fiscal year 1945, \$133,293.

23   Pay and allowances, Coast Guard:

24           Fiscal year 1944, \$35,006,326.



- 1           Fiscal year 1945, \$8,658,922.
- 2           Fiscal year 1946, \$80,000,000.
- 3       General expenses, Coast Guard:
- 4           Fiscal year 1944, \$631,865.
- 5           Fiscal year 1945, \$1,289,896.
- 6           Fiscal year 1946, \$20,000,000.
- 7       Civilian employees, Coast Guard:
- 8           Fiscal year 1944, \$109,654.
- 9           Fiscal year 1945, \$200,633.
- 10       Establishing and improving aids to navigation, Coast
- 11   Guard, \$346,000.
- 12       Acquisition of vessels and shore facilities, Coast Guard,
- 13   \$2,741,000.
- 14       Retired pay, former Lighthouse Service, Coast Guard:
- 15           Fiscal year 1944, \$73,320.
- 16           Fiscal year 1945, \$48,109.
- 17       Salaries, Merchant Marine Inspection, Coast Guard,
- 18   1945, \$25,536.
- 19       Salaries and expenses, Merchant Marine Inspection,
- 20   Coast Guard:
- 21           Fiscal year 1944, \$899,401.
- 22           Fiscal year 1945, \$373,270.
- 23       Emergency construction, vessels and shore facilities,
- 24   Coast Guard (Navy), \$231,000.

1 Special projects, vessels, Coast Guard (Navy),  
2 \$127,000.

3 Special projects, aids to navigation, Lighthouse Service,  
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard  
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.

1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-  
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.



Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

1           Fiscal year 1945, \$94,942.

2           Fiscal year 1946, \$413,000.

3           Contingent and miscellaneous expenses, Naval Ob-  
4 servatory:

5           Fiscal year 1944, \$572.

6           Fiscal year 1945, \$40.

7                           GENERAL PROVISIONS

8           Provisions of law prohibiting the payment of compen-  
9 sation to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment dur-  
11 ing the fiscal year ending June 30, 1946.

12          Notwithstanding the provisions of section 10 of the  
13 Pay Readjustment Act of 1942 (56 Stat. 364), the Secre-  
14 tary of the Navy is authorized and directed to issue in kind  
15 one dress blue uniform and overcoat to each enlisted man  
16 in the naval service upon his return to the United States  
17 from sea and foreign shore duty for separation from the  
18 naval service upon the sworn statement of such enlisted  
19 man that these articles of clothing are not now in his pos-  
20 session by reason of compliance with orders of higher naval  
21 authority or other exigencies of the service beyond his con-  
22 trol and that no claim for reimbursement will be filed for  
23 the value of such articles so replaced: *Provided*, That the  
24 value of such articles of clothing shall be charged to the

1 clothing and small-stores fund. The authority contained  
2 herein shall terminate on September 30, 1946.

3 Personnel of the Naval Reserve, not qualified for sea  
4 duty, will, upon their application, be placed on inactive  
5 duty if surplus to requirements.

6 The dependents and household effects of such civilian  
7 and naval personnel of the Naval Establishment (without  
8 regard to rank or grade) on duty at locations outside the  
9 continental limits of the United States, or in Alaska, as  
10 may be determined upon by the Secretary of the Navy,  
11 may prior or subsequent to the issuance of orders for the  
12 relief of such personnel from their stations, or subsequent  
13 to the discharge or release of such personnel from active  
14 service, be moved (including packing and unpacking of  
15 household effects) from such locations outside the conti-  
16 nental limits of the United States, or in Alaska, to such  
17 locations as may be designated by such personnel, or de-  
18 pendants concerned, by the use of either Government or  
19 commercial means of transportation, and later from such  
20 locations to the duty station to which such personnel may  
21 be ordered, and current appropriations of the Navy Establish-  
22 ment available for travel and transportation may be used  
23 for this purpose. In lieu of the transportation in kind  
24 authorized for dependents, the Secretary of the Navy may



1 authorize the payment in money of amounts equal to the  
2 commercial transportation costs (including taxes if paid),  
3 for the whole or such part of the travel for which trans-  
4 portation in kind is not furnished when such travel shall  
5 have been completed.

6 In all, title III, \$14,370,159,964.

7 GENERAL PROVISION

8 The officer and enlisted personnel strengths of the Army,  
9 Navy, Marine Corps, and Coast Guard shall be demobilized  
10 at a rate not less than would be necessary to keep within the  
11 amounts available for their pay in consequence of the pro-  
12 visions of this Act, unless the President otherwise shall direct.

13 Effective December 1, 1945, no military or naval per-  
14 sonnel shall receive during the remainder of the current fiscal  
15 year aviation pay unless the person affected is assigned to  
16 duty on air activities prescribed by the Secretary of War  
17 or the Secretary of the Navy as requiring regular and fre-  
18 quent participation in aerial flights, or is required to partici-  
19 pate regularly and frequently in aerial flights in order to  
20 continue his fitness for his primary technical skill: *Provided,*  
21 That in addition, on or before January 1, annually, the  
22 Secretaries of War and Navy, respectively, shall certify to  
23 the Congress by rank and age group the number of such  
24 officers above the rank of major of the Army or lieutenant  
25 commander of the Navy, with the average monthly flight

1 pay authorized by law to be paid to such officers during  
2 the six-month period preceding the date of the report: *Pro-*  
3 *vided further*, That the Secretary of War and the Secretary  
4 of the Navy shall on or before January 3, 1946, submit to  
5 the Congress a joint recommendation for revision of the  
6 Pay Readjustment Act of 1942, as amended, including but  
7 not restricted to recommendations with respect to increases  
8 authorized for flying pay, parachute pay, glider pay, sub-  
9 marine pay, and similar special pay and allowances.

10 SEC. 301. This Act may be cited as the "First Supple-  
11 mental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives January 30, 1946.

Attest:

SOUTH TRIMBLE,

*Clerk.*

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## AN ACT

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Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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JANUARY 31 (legislative day, JANUARY 18), 1946  
Read twice and referred to the Committee on  
Appropriations







FIRST SUPPLEMENTAL SURPLUS APPROPRIATION  
RESCISSION BILL, 1946

FEBRUARY 4 (legislative day, JANUARY 18), 1946.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted  
the following

REPORT

[To accompany H. R. 5158]

The Committee on Appropriations to whom was referred the bill (H. R. 5158) entitled "An act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes," report the same to the Senate with an amendment.

The bill as recommended by the committee, with one exeception, is precisely the same in form and content as the similarly entitled bill (H. R. 4407) as finally approved by the House and Senate and transmitted to the President, execept that it excludes the provision contained in H. R. 4407 for the return to the States of the employment serviees which were loaned to the Federal Government at the beginning of 1942. The following is a summation of the rescissions provided for in the former and accompanying measures:

Executive departments and various independent agencies:		Amounts rescinded	
Cash	-----	\$2, 945, 503, 585	
Contraetual authorization	-----	929, 961, 208	ons
Military Establishment: Cash	-----	30, 263, 923, 993	
Naval Establishment:			
Cash	-----	14, 370, 159, 964	
Contraetual authorization	-----	3, 276, 072, 671	ita-
Corporate funds	-----	1, 190, 500	
Total	-----	51, 786, 811, 921	led,

The earlier bill, as passed by the House, included provision for the States to resume control of their loaned employment serviees on the thirtieth day after the enaetment of such bill. A more eompre-hensive provision was substituted by the Senate, and, as finally agreed

ear

by

- 6 reduced in the sums hereinafter set forth, such sums to be
- 7 carried to the surplus fund and covered into the Treasury
- 8 immediately upon the approval of this Act:



to by the House and Senate, provided for the return of the employment services to the States on or before the one hundredth day after the enactment of the bill.

The President's objection to H. R. 4407 is because of his opposition to the provision contained therein for the return to the States of their loaned employment services at the height of the period of demobilization and reconversion. His position is made clear in his memorandum announcing that he had not approved the bill, issued on December 22, 1945, and which appears on pages 18 and 19 of the Congressional Record of January 14, 1946.

On January 29, 1946, the House of Representatives passed H. R. 4437 entitled "An act to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933, and for other purposes," and that bill is now pending in the Senate Committee on Education and Labor.

The bill as originally presented to the President and the present bill carries a provision that the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Adjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances. Inasmuch as January 3 is long past and in order that the Departments may have sufficient time in which to make their recommendations as contemplated by the provision referred to, the committee is amending the bill by striking out the date "January 3, 1946," and inserting in lieu thereof the date *February 28, 1946*. This is the only amendment recommended by the committee.



Calendar No. 930

79<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5158

[Report No. 919]

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## IN THE SENATE OF THE UNITED STATES

JANUARY 31 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

FEBRUARY 4 (legislative day, JANUARY 18), 1946

Reported by Mr. McKELLAR, with an amendment

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the appropriations and contractual authorizations of  
4       the departments and agencies available in the fiscal year  
5       1946, and prior year unreverted appropriations, are hereby  
6       reduced in the sums hereinafter set forth, such sums to be  
7       carried to the surplus fund and covered into the Treasury  
8       immediately upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-  
2 DENT, INDEPENDENT OFFICES, AND EXECU-  
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$3,884,400, and limitations  
8 under this head are hereby decreased as follows: (1)  
9 Travel within continental United States from “\$234,-  
10 000” to “\$180,000”, (2) reimbursement to employees  
11 for emergency or extraordinary expenses from “\$75,-  
12 000” to “\$47,500”, and (3) expenses of a confi-  
13 dential character from “\$1,200,000” to “\$100,000”.

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations  
19 under this head are hereby decreased as follows: (1)  
20 Traveling expenses from “\$452,500” to “\$150,000”,  
21 (2) printing and binding from “\$47,500” to “\$14,000”  
22 (of which the amount available outside continental  
23 United States is decreased from “\$1,800” to “\$500”),  
24 and (3) penalty mail costs from “\$118,900” to  
25 “\$53,000”.



Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500"; (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense),

1       \$131,500, and the balance to remain available until  
2       December 31, 1945.

3       Training Within Industry Service (national de-  
4       fense), \$125,000, and the balance to remain available  
5       until December 31, 1945.

6       Migration of workers, \$479,000.

7       War Production Board:

8       Salaries and expenses, \$10,000,000, and limitations  
9       under this head are hereby decreased as follows: (1)  
10      Travel expenses from "\$1,944,000" to "\$954,000",  
11      (2) penalty mail costs from "\$210,000" to "\$105,-  
12      000", (3) printing and binding from "\$648,000" to  
13      "\$346,000", and (4) salary of the head of the agency  
14      from "\$15,000" to "\$12,000", except that so long as  
15      the position is held by the present incumbent the salary  
16      shall remain at \$15,000.

17      War Shipping Administration:

18      Revolving fund, \$195,452,000.

19      Maritime training fund, \$25,000,000.

20      Marine and war risk insurance fund, revolving fund,  
21      \$91,000,000.

22      Office of Censorship: Salaries and expenses, \$8,200,000.

23      Office of Price Administration:

24      Salaries and expenses, \$25,929,000, and limitations

under this head are hereby decreased as follows: (1)

Printing and binding from "\$1,470,000" to "\$961,064",

(2) traveling expenses from "\$7,949,700" to "\$6,780,-  
000", and (3) penalty mail costs from "\$5,210,550"  
to "\$3,085,000".

Office of Strategic Services:

Salaries and expenses, \$9,500,000, and limitations  
under this head are hereby decreased as follows: (1)  
Expenditures without regard to provisions of law and  
regulations from "\$10,500,000" to "\$3,000,000", and  
(2) expenditures for objects of a confidential nature  
from "\$10,000,000" to "\$2,750,000".

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations  
under this head are hereby decreased as follows: (1)  
Personal services without regard to civil-service and  
classification laws from "\$250,000" to "\$125,000",  
and (2) travel expenses from "\$263,700" to  
"\$100,000".

In all, Office for Emergency Management, \$440,794,164.

## EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense,  
\$45,000,000.



1        Defense aid—lend-lease:

2        (1) Ordnance and ordnance stores, supplies, spare  
3 parts, and materials, \$57,990,000.

4        (2) Aircraft and aeronautical material, \$85,705,000.

5        (3) Tanks, armored cars, automobiles, trucks, and other  
6 automotive vehicles, spare parts, and accessories, \$24,-  
7 461,000.

8        (4) Vessels, ships, boats, and other watercraft,  
9 \$76,080,000.

10       (5) Miscellaneous military equipment, supplies and ma-  
11 terials, \$8,963,000.

12       (6) Facilities and equipment for the manufacture or  
13 production of defense articles, by construction or acquisition,  
14 \$17,937,000.

15       (7) Agricultural, industrial, and other commodities and  
16 articles, \$1,351,216,000, and the \$500,000,000 made avail-  
17 able by title II of the Second Deficiency Appropriation Act,  
18 1945, as a reserve for expenditure for postwar price support  
19 of agriculture shall be paid to the Commodity Credit Corpo-  
20 ration and continued as a reserve fund for expenditure, as  
21 and when necessary, for the postwar price support of  
22 agriculture.

23       (7b) For testing, inspecting, proving, repairing, out-  
24 fitting, reconditioning, or otherwise placing in good working

1 order any defense articles for the government of any country  
2 whose defense the President deems vital to the defense of  
3 the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying  
5 out the purposes of such Act not specified or included in  
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,  
8 \$1,784,561,000.

## 9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil  
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'  
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-  
15 penses, Federal Communications Commission (national  
16 defense), \$465,000.

17 Federal Power Commission: National defense activities,  
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory  
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-  
22 957,500.

23 United States Maritime Commission: Construction fund.  
24 Act June 29, 1936, revolving fund, \$496,500,000.

## 1                               FEDERAL SECURITY AGENCY

## 2       Public Health Service:

3           Health and sanitation activities, war and defense  
4       areas (national defense), \$392,568.

5           Malaria and diseases of tropical origin (national  
6       defense), \$1,862,501.

7           Training for nurses (national defense), \$15,557,-  
8       000, and the limitation on the amount which may be  
9       expended for administrative expenses is hereby decreased  
10      from "\$788,255" to "\$611,322".

## 11                           FEDERAL WORKS AGENCY

12      Office of the Administrator: War public works (com-  
13     munity facilities), \$13,700,000.

## 14      Public Buildings Administration:

15           Emergency safeguarding of public buildings and  
16       property, \$750,000.

17           Construction of temporary office buildings, Washing-  
18       ton, District of Columbia, unobligated balance.

19      Public Roads Administration: Flight strips (national de-  
20     fense), \$318,008.

## 21                           NATIONAL HOUSING AGENCY

## 22      Office of the Administrator:

23           War housing, \$74,355,000.

24           War housing in and near the District of Columbia,  
25       \$3,372,000.



1       Reserves: From the reserve account established by the  
2   National Housing Administrator in the Treasury pursuant  
3   to section 303 of Public Law 849, Seventy-sixth Congress,  
4   approved October 14, 1940, as amended, \$50,000,000.

5       Section 303 of the Act of October 14, 1940, as amended  
6   (42 U. S. C. 1521), is hereby amended by inserting “(a)”  
7   after the figures “303”, and adding the following new sub-  
8   sections:

9       “(b) Moneys derived by the National Housing Admin-  
10   istrator from the disposition of property, or from the removal  
11   of temporary housing, acquired or constructed under the  
12   provisions of this Act, of Public Laws Numbered 9, 73,  
13   and 353, Seventy-seventh Congress, and of section 201 of  
14   the Second Supplemental National Defense Appropriation  
15   Act, 1941, as amended, shall be available for expenses of  
16   disposition and removal, including the establishment of nec-  
17   essary reserves therefor and administrative expenses in con-  
18   nection therewith: *Provided*, That moneys derived by said  
19   Administrator from the disposition of any such property or  
20   the removal of any such temporary housing may be deposited  
21   in a common fund account or accounts in the Treasury:  
22   *And provided further*, That except for necessary reserves  
23   authorized by this Act or by section 201 of the Second Sup-  
24   plemental National Defense Appropriation Act, 1941, as

1 amended, the unobligated balances of the moneys deposited  
2 into the Treasury from the disposition of any such property  
3 or the removal of any such temporary housing shall be  
4 covered at the end of each fiscal year into miscellaneous  
5 receipts.

6 “(c) Moneys in the reserve account established by  
7 the National Housing Administrator pursuant to subsections  
8 (a) and (b) of this section 303 shall not exceed \$25,000,000  
9 at any time: *Provided*, That all moneys in said account  
10 shall be covered into miscellaneous receipts not later than  
11 two years after the President shall have declared that the  
12 emergency declared by him on September 8, 1939, has  
13 ceased to exist.”

14 In all, independent offices, \$666,040,849.

## 15 EXECUTIVE DEPARTMENTS

### 16 [Non-War]

#### 17 DEPARTMENT OF AGRICULTURE

18 Emergency rubber project, \$1,649,790, and the balance  
19 remaining shall be used to liquidate such project, including  
20 the elimination of the remaining plantations, the rehabili-  
21 tation and return of leased lands to the owners and the dis-  
22 posal of other property according to law, and for the  
23 continuation of the production, breeding, and disease phases  
24 of guayule research on indicator plots and experimental

1 areas until June 30, 1946: *Provided*, That any balances  
2 remaining shall be available until December 31, 1946, for  
3 completing the liquidation of the emergency rubber project.

4 War Food Administration: Salaries and expenses, \$3,-  
5 116,894.

6 Emergency supplies for Territories and possessions,  
7 \$25,000,000.

8 The following appropriations shall be so administered  
9 as to avoid the incurrence of deficiencies therein except for  
10 such added expense occasioned by the Federal Employees  
11 Pay Act of 1945 as it may not be practicable to absorb,  
12 namely:

13 Bureau of Agricultural Economics, salaries and expenses  
14 (crop and livestock estimates).

15 Office of Foreign Agricultural Relations, salaries and  
16 expenses.

17 Agricultural Research Administration:

18 Bureau of Animal Industry, salaries and expenses  
19 (meat inspection) ;

20 Bureau of Plant Industry, Soils, and Agricultural  
21 Engineering, salaries and expenses (fruit, vegetable, and  
22 specialty crops) ;

23 Bureau of Entomology and Plant Quarantine,  
24 salaries and expenses (foreign plant quarantine) .



1 Forest Service:

2 Salaries and expenses (national forest protec-  
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National  
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-  
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered as  
11 to avoid the incurrence of deficiencies therein except for such  
12 added expense occasioned by the Federal Employees Pay  
13 Act of 1945 as it may not be practicable to absorb, namely:

14 Coast and Geodetic Survey, salaries and expenses,  
15 departmental;

16 Patent Office, salaries;

17 Weather Bureau, salaries and expenses.

18 DEPARTMENT OF THE INTERIOR

19 Office of the Secretary: Salaries and expenses, Division  
20 of Geography, \$13,000.

21 War Relocation Authority: Salaries and expenses, War  
22 Relocation Authority, Department of the Interior, \$2,500,-  
23 000.

24 Office of Fishery Coordination: Salaries and expenses,  
25 \$57,000.

1 Solid Fuels Administration for War:

2 Salaries and expenses, \$275,000, and on April 1,  
3 1946, the sum of \$150,000 of said appropriation shall be  
4 transferred to the appropriation "Economics of mineral  
5 industries", Bureau of Mines, and the limitation in said  
6 latter appropriation for personal services in the District  
7 of Columbia shall be increased from "\$397,500" to  
8 "\$529,000".

9 Bureau of Mines

10 Enforcement of Federal Explosives Act, \$27,900.

11 Investigation of raw-material resources for steel produc-  
12 tion (national defense), \$180,000.

13 Construction and equipment of helium plants, \$260,000.

14 Manganese beneficiation pilot plants and research (na-  
15 tional defense), \$50,000.

16 Production of alumina from low-grade bauxite, alumi-  
17 num clays and alunite (national defense), \$200,000.

18 Investigation of bauxite and alunite ores and aluminum  
19 clay deposits (national defense), \$350,000.

20 Magnesium pilot plants and research (national defense),  
21 \$150,000.

22 Investigation of deposits of critical and essential minerals  
23 in the United States and its possessions (national defense),  
24 \$420,000.

## 1 GOVERNMENT IN THE TERRITORIES

2 Emergency fund, Territories and island possessions  
3 (national defense), \$332,000.

## 4 DEPARTMENT OF JUSTICE

5 Legal activities and general administration: Salaries  
6 and expenses, War Division, \$100,000.

7 Federal Bureau of Investigation: Salaries and expenses,  
8 detection and prosecution of crimes (emergency), \$1,240,-  
9 000.

## 10 DEPARTMENT OF LABOR

11 Office of the Secretary:

12 Salaries and expenses (national defense), \$1,388.

13 Salaries and expenses, safety and health program  
14 (national defense), \$60,000.

15 Children's Bureau:

16 Grants to States for emergency maternity and infant  
17 care (national defense), \$8,113,600: *Provided*, That  
18 such reduced amount shall not affect the amount to be  
19 allotted to the States for administrative expenses as  
20 authorized in the Department of Labor Appropriation  
21 Act, 1946.

## 22 WAR DEPARTMENT

23 The Panama Canal: Maintenance and operation of the  
24 Panama Canal, \$5,000,000.



1 In all, executive departments, \$54,107,572.

2 In all, title I, \$2,945,503,585.

3 Miscellaneous Provisions, Title I

4 REDUCTIONS IN CONTRACT AUTHORIZATIONS

5 Contract authorizations of the departments and agencies  
6 available in the fiscal year 1946 are hereby reduced in the  
7 sums hereinafter set forth:

8 EXECUTIVE OFFICE OF THE PRESIDENT

9 Emergency funds appropriated to the President: De-  
10 fense aid—lend-lease, \$600,000,000.

11 INDEPENDENT OFFICES

12 United States Maritime Commission: Construction fund,  
13 Act June 29, 1936, revolving fund, \$325,900,000.

14 FEDERAL WORKS AGENCY

15 Public Roads Administration:

16 Strategic highway network, \$1,484,363.

17 Access roads, \$2,576,845.

18 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

19 EXPENSES

20 Limitations on amounts from funds of corporations and  
21 other agencies for administrative expenses are hereby reduced  
22 in the following sums:

23 EXECUTIVE OFFICE OF THE PRESIDENT

24 Office for Emergency Management; Foreign Eco-

1 nomic Administration, Rubber Development Corporation,  
2 \$249,500.

3 War Shipping Administration:

4 Revolving fund, \$4,312,000.

5 Maritime training fund, \$519,357.

6 INDEPENDENT OFFICES

7 Smaller War Plants Corporation:

8 Administrative expenses, \$1,550,000, and the limi-  
9 tation under this head on the amount of penalty-mail  
10 costs is hereby decreased from "\$50,000" to "\$40,000".

11 United States Maritime Commission:

12 Construction fund, Act June 29, 1936, revolving  
13 fund, \$2,687,450.

14 EXTENDING AVAILABILITY OF APPROPRIATIONS

15 The following appropriations for the fiscal year 1946 are  
16 hereby continued available until June 30, 1946, except as  
17 modified in this title.

18 Executive Office of the President:

19 Bureau of the Budget, national defense activities.

20 Independent Offices:

21 Civil Service Commission, salaries and expenses  
22 (national defense).

23 Federal Communications Commission, salaries  
24 and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency:

Office of the Administrator:

Salaries and expenses, Office of Community War Services;

Expenses, temporary aid to enemy aliens and other restricted persons.

Department of the Interior:

Office of the Secretary:

Salaries and expenses, Division of Geography, Department of the Interior.

# CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

## EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,  
\$315,500.

Prencinradio, Incorporated, \$875,000.



# 1 GENERAL PROVISIONS

2 In order to accomplish the liquidation of any tem-  
3 porary agency of the Government created to perform func-  
4 tions in connection with the national security and defense,  
5 there may be transferred to such liquidating agency as the  
6 President may designate such amount from the funds of the  
7 agency to be liquidated as the Bureau of the Budget shall  
8 determine is necessary therefor.

9 TITLE II—MILITARY ESTABLISHMENT

10      Office of Secretary of War:

11 Contingencies of the Army, 1942-1946, \$12,829,-  
12 151.

13           Expediting Production of Equipment and Supplies,  
14           for National Defense, 1940-1946, \$282,892,000.

15      General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946, \$124,-  
335,489.

18 Special Field Exercises, Army, 1942-1946, \$51,-  
19 246,874.

20 Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and  
subappropriations under this head are hereby decreased  
as follows: (1) Expenses of courts martial, \$36,000;  
and (2) Apprehension of deserters, \$171,000.

1     Quartermaster Corps:

2             Quartermaster Service, Army, 1942-1946, \$3,919,-  
3     838,479, and subappropriations under this head are  
4     hereby decreased as follows: (1) Welfare of enlisted  
5     men, \$5,000,000; (2) subsistence of the Army,  
6     \$1,762,081,479; (3) regular supplies of the Army,  
7     \$541,018,000; (4) clothing and equipage, \$1,563,-  
8     225,000; (5) horses, draft and pack animals,  
9     \$1,514,000; and (6) Army transportation, \$47,-  
10    000,000.

11    Transportation Corps:

12            Transportation Service, Army, 1945-1946, \$704,-  
13    268,000.

14    Signal Corps:

15            Signal Service of the Army, 1942-1946, \$1,675,-  
16    684,000.

17    Air Corps:

18            Air Corps, Army, 1942-1946, \$11,799,313,000:  
19    *Provided*, That before any permanent fields are deter-  
20    mined upon or permanent buildings erected thereon the  
21    Air Corps shall submit to Congress a list of such fields  
22    and the justification therefor.

1        Medical Department:

2            Medical and Hospital Department, Army, 1942-  
3        1946, \$267,539,000.

4        Corps of Engineers:

5            Engineer Service, Army, 1942-1946, \$2,306,-  
6        763,000, and subappropriations under this head are  
7        hereby decreased as follows: (1) Engineer Service,  
8        \$2,011,648,000; (2) Military posts, \$148,255,000;  
9        and (3) Barracks and quarters, Army, \$146,860,000.

10       Ordnance Department:

11           Ordnance Service and Supplies, Army, 1942-1946,  
12        \$8,100,000,000.

13       Chemical Warfare Service:

14           Chemical Warfare Service, Army, 1942-1946,  
15        \$997,870,000.

16       Special Service Schools:

17           Special Service Schools, Army, 1942-1946, \$178,-  
18        000, and subappropriations under this head are hereby  
19        decreased as follows: (1) Infantry School, \$81,000;  
20        (2) Cavalry activities, \$22,700; and (3) Field Ar-  
21        tillery activities, \$74,300.

22       Seacoast defenses:

23           Seacoast defenses, general, 1942-1946, \$1,664,000.

24       United States Military Academy: Pay of Military  
25       Academy, 1942-1946, \$21,000.



1 Inter-American Relations, War Department: Inter-  
2 American Relations, War Department, 1943-1946, \$75,000.

3 Office of the Secretary:

4 Contingent expenses, War Department, 1942-1946,  
5 \$1,200,000.

6 Printing and binding, War Department, 1942-1946,  
7 \$18,000,000.

8 TRANSFER OF APPROPRIATIONS

9 In addition to the transfers authorized by section 3 of  
10 the Military Appropriation Act, 1946, transfers of not to  
11 exceed the amounts hereinafter set forth may be made, with  
12 the approval of the Bureau of the Budget, from the appro-  
13 priation "Ordnance Service and Supplies, Army", to the  
14 following appropriations:

15 Army War College, \$23,819;

16 Command and General Staff School, Fort Leavenworth,  
17 Kansas, \$30,189;

18 Quartermaster Service, Army, \$7,881,967;

19 Rock Island Bridge, Rock Island, Illinois, \$5,719;

20 Instruction in armored force activities, \$389,756;

21 Maintenance and Operation, United States Military  
22 Academy, \$1,323,884;

23 Army of the Philippines, \$200,000,000: *Provided*,  
24 That service in the organized military forces of the Govern-  
25 ment of the Commonwealth of the Philippines, while such

1 forces were in the service of the armed forces of the United  
2 States pursuant to the military order of the President of the  
3 United States dated July 26, 1941, shall not be deemed to  
4 be or to have been service in the military or naval forces of  
5 the United States or any component thereof for the purposes  
6 of any law of the United States conferring rights, privileges,  
7 or benefits upon any person by reason of the service of such  
8 person or the service of any other person in the military or  
9 naval forces of the United States or any component thereof,  
10 except benefits under (1) the National Service Life Insur-  
11 ance Act of 1940, as amended, under contracts heretofore  
12 entered into, and (2) laws administered by the Veterans'  
13 Administration providing for the payment of pensions on  
14 account of service-connected disability or death: *Provided*  
15 *further*, That such pensions shall be paid at the rate of one  
16 Philippine peso for each dollar authorized to be paid under  
17 the laws providing for such pensions: *Provided further*,  
18 That any payments heretofore made under any such law to  
19 or with respect to any member of the military forces of the  
20 Government of the Commonwealth of the Philippines who  
21 served in the service of the armed forces of the United States  
22 shall not be deemed to be invalid by reason of the circum-  
23 stances that his service was not service in the military or  
24 naval forces of the United States or any component thereof  
25 within the meaning of such law.

## GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

## TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.



- 1        Naval emergency fund:
- 2            Fiscal year 1945, \$25,477.
- 3            Fiscal year 1946, \$3,000,000.
- 4        Naval Research Laboratory:
- 5            Fiscal year 1944, \$5,185.
- 6            Fiscal year 1945, \$3,002.
- 7            Fiscal year 1946, \$90,000.
- 8        Operation and conservation of naval petroleum reserves:
- 9            Fiscal year 1944, \$6,986.
- 10          Fiscal year 1945, \$6,353.
- 11          Fiscal year 1946, \$18,000.
- 12        Ocean and lake surveys, Navy:
- 13            Fiscal year 1944, \$6,677.
- 14            Fiscal year 1945, \$21,298.
- 15        Bureau of Naval Personnel:
- 16        Naval War College:
- 17            Fiscal year 1944, \$4,521.
- 18            Fiscal year 1945, \$2,886.
- 19        Naval Training Station, San Diego, California:
- 20            Fiscal year 1944, \$232,338.
- 21            Fiscal year 1945, \$327,515.
- 22        Naval Training Station, Newport, Rhode Island:
- 23            Fiscal year 1944, \$823.
- 24            Fiscal year 1945, \$256.

1 Naval Training Station, Great Lakes, Illinois:

2 Fiscal year 1944, \$459,244.

3 Fiscal year 1945, \$29,510.

4 Fiscal year 1946, \$700,000.

5 Naval Training Station, Norfolk, Virginia:

6 Fiscal year 1944, \$4,488.

7 Fiscal year 1945, \$14,879.

8 Naval Training Station, Lake Pend Oreille, Idaho:

9 Fiscal year 1944, \$54,790.

10 Fiscal year 1945, \$604,708.

11 Naval Training Station, Lake Seneca, New York:

12 Fiscal year 1944, \$38,894.

13 Fiscal year 1945, \$3,209.

14 Naval Training Station, Port Deposit, Maryland:

15 Fiscal year 1945, \$2,794.

16 Fiscal year 1946, \$500,000.

17 Fleet training, Navy:

18 Fiscal year 1944, \$11,108.

19 Fiscal year 1945, \$164,695.

20 Fiscal year 1946, \$78,000.

21 Instruction, Navy:

22 Fiscal year 1944, \$2,151,364.

23 Fiscal year 1945, \$120,000.

24 Fiscal year 1946, \$6,000,000.

## 1        Libraries, Navy:

2                Fiscal year 1944, \$145,920.

3                Fiscal year 1945, \$1,693.

4                Fiscal year 1946, \$1,252,935.

## 5        Welfare and recreation, Navy:

6                Fiscal year 1944, \$903,681.

7                Fiscal year 1946, \$4,124,000.

## 8        Naval Reserve Officers' Training Corps:

9                Fiscal year 1944, \$237,300.

10               Fiscal year 1945, \$88,337.

## 11       Miscellaneous expenses, Bureau of Naval Personnel:

12               Fiscal year 1944, \$3,009.

13               Fiscal year 1945, \$124.

14               Fiscal year 1946, \$20,000.

## 15       Naval Reserve:

16               Fiscal year 1944, \$54,961,800.

17               Fiscal year 1945, \$24,511,154.

18               Fiscal year 1946, \$38,262,000.

## 19       Pay, Naval Academy:

20               Fiscal year 1944, \$88,394.

21               Fiscal year 1945, \$93,796.

## 22       Maintenance, Naval Academy:

23               Fiscal year 1944, \$6,877.

24               Fiscal year 1945, \$2,529.



1        Naval Home, Philadelphia, Pennsylvania:

2            Fiscal year 1944, \$610.

3            Fiscal year 1945, \$1,250.

4        Naval prison farms and prison personnel:

5            Fiscal year 1944, \$10.

6            Fiscal year 1945, \$5,100.

7 Bureau of Ships:

8        Maintenance, Bureau of Ships:

9            Fiscal year 1942, \$43,907,135.

10          Fiscal year 1942-43, \$51,956,375.

11          Fiscal year 1943, \$64,050,351.

12          Fiscal year 1944, \$52,247,000.

13          Fiscal year 1945, \$118,474,000.

14          Fiscal year 1946, \$1,468,000,000.

15        Defense installations on merchant vessels, Navy.

16        \$13,658,123.

17 Bureau of Ordnance:

18        Ordnance and ordnance stores, Navy:

19          Fiscal year 1944, \$551,226,542.

20          Fiscal year 1945, \$1,208,752,767.

21          Fiscal year 1946, \$2,575,225,500.

22 Bureau of Supplies and Accounts:

23        Pay, subsistence, and transportation, Navy, 1944,

24        \$69,247,269.

1 Pay and subsistence of naval personnel, 1946, \$1,317,-  
2 369,200.

3 Maintenance, Bureau of Supplies and Accounts, 1946,  
4 \$81,314,000.

5 Transportation of things, Navy, 1946, \$140,036,282.

6 Fuel, Navy, 1946, \$100,000,000.

7 Bureau of Medicine and Surgery:

8 Medical Department, Navy:

9 Fiscal year 1944, \$14,017,195.

10 Fiscal year 1945, \$12,238,592.

11 Fiscal year 1946, \$30,000,000.

12 Bureau of Yards and Docks:

13 Maintenance, Bureau of Yards and Docks:

14 Fiscal year 1944, \$2,431,496.

15 Fiscal year 1945, \$3,139,211.

16 Fiscal year 1946, \$5,000,000.

17 Public Works, Bureau of Yards and Docks, \$400,000,-  
18 000, and the contract authorization for "Public Works,  
19 Bureau of Yards and Docks" available in the fiscal year  
20 1946 is hereby reduced in the sum of \$1,248,510,540: *Pro-*  
21 *vided*, That the rescission of \$400,000,000 of the appropria-  
22 tion shall not act to reduce further the contract authority:  
23 *Provided further*, That of this amount \$946,000,000 shall  
24 apply against advance base construction, material, and equip-  
25 ment: *Provided further*, That of the funds remaining avail-

1 able for advance base construction, material, and equipment,  
2 not to exceed \$6,000,000 shall be available toward recon-  
3 struction of the civilian economy of Guam.

4 Bureau of Aeronautics:

5 Aviation, Navy:

6 Fiscal year 1943, \$256,482,489.

7 Fiscal year 1943-44, \$193,929,557.

8 Fiscal year 1944, \$811,987,405.

9 Fiscal year 1945, \$1,468,753,102.

10 Fiscal year 1946, \$1,359,367,650, and subappro-  
11 priations under this head are hereby decreased as fol-  
12 lows: (1) New construction and procurement of aircraft  
13 and equipment, spare parts, and so forth, from "\$799,-  
14 128,500" to "\$128,116,900", (2) replacement of navi-  
15 gational and radio equipment for aircraft in service, and  
16 so forth, from "\$168,808,200" to "\$44,934,000", and  
17 (3) maintenance, repair, and operation of aircraft fac-  
18 tory, air stations, and so forth, from "\$1,431,840,800"  
19 to "\$800,374,950"; the subappropriation "continuing  
20 experiments and development work, and so forth," is  
21 hereby increased from "\$81,272,500" to "\$148,256,-  
22 500"; and the unobligated portion of the contract  
23 authorization provided under this head is hereby re-  
24 pealed.



- 1 Marine Corps:
- 2 Pay, Marine Corps:
- 3 Fiscal year 1944, \$40,521,480.
- 4 Fiscal year 1945, \$10,000,000.
- 5 Fiscal year 1946, \$69,913,260.
- 6 Pay of civil force, Offices of Commandant of Marine
- 7 Corps and Director of Personnel:
- 8 Fiscal year 1944, \$358.
- 9 Fiscal year 1945, \$174.
- 10 Pay of civil force, Office of Paymaster General, Marine
- 11 Corps:
- 12 Fiscal year 1944, \$330.
- 13 Fiscal year 1945, \$118.
- 14 Pay of civil force, Office of Quartermaster General,
- 15 Marine Corps:
- 16 Fiscal year 1944, \$844.
- 17 Fiscal year 1945, \$1,059.
- 18 General expenses, Marine Corps:
- 19 Fiscal year 1944, \$79,787,482.
- 20 Fiscal year 1945, \$56,737,554.
- 21 Fiscal year 1946, \$307,750,000.
- 22 Increase and replacement of naval vessels:
- 23 Increase and replacement of naval vessels, construc-
- 24 tion and machinery, \$732,104,151.

1           Increase and replacement of naval vessels, armor,  
2           armament and ammunition, \$276,876,967.

3           Increase and replacement of naval vessels, emer-  
4           gency construction, \$38,385,489: *Provided*, That the  
5           balances remaining of appropriations under "Increase  
6           and replacement of naval vessels" shall not be available  
7           for the period of the fiscal year 1946 subsequent to  
8           October 16, 1945, for beginning the construction of any  
9           new vessels, except, not to exceed \$24,100,000 may be  
10          available during the fiscal year 1946 against the con-  
11          struction of five advanced type combatant vessels and  
12          seventeen minor craft.

13         Repair facilities, Navy:

14            Repair facilities, Navy, \$38,266,050, and the con-  
15            tract authorization for "Repair facilities, Navy", avail-  
16            able in the fiscal year 1946 is hereby reduced in the  
17            sum of \$27,562,131.

18         Coast Guard:

19            Salaries, Office of Commandant, United States Coast  
20            Guard:

21                 Fiscal year 1944, \$219.

22                 Fiscal year 1945, \$133,293.

23            Pay and allowances, Coast Guard:

24                 Fiscal year 1944, \$35,006,326.

1           Fiscal year 1945, \$8,658,922.

2           Fiscal year 1946, \$80,000,000.

3       General expenses, Coast Guard:

4           Fiscal year 1944, \$631,865.

5           Fiscal year 1945, \$1,289,896.

6           Fiscal year 1946, \$20,000,000.

7       Civilian employees, Coast Guard:

8           Fiscal year 1944, \$109,654.

9           Fiscal year 1945, \$200,633.

10       Establishing and improving aids to navigation, Coast  
11 Guard, \$346,000.

12       Acquisition of vessels and shore facilities, Coast Guard,  
13 \$2,741,000.

14       Retired pay, former Lighthouse Service, Coast Guard:

15           Fiscal year 1944, \$73,320.

16           Fiscal year 1945, \$48,109.

17       Salaries, Merchant Marine Inspection, Coast Guard,  
18 1945, \$25,536.

19       Salaries and expenses, Merchant Marine Inspection,  
20 Coast Guard:

21           Fiscal year 1944, \$899,401.

22           Fiscal year 1945, \$373,270.

23       Emergency construction, vessels and shore facilities,  
24 Coast Guard (Navy), \$231,000.



1 Special projects, vessels, Coast Guard (Navy),  
2 \$127,000.

3 Special projects, aids to navigation, Lighthouse Service,  
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard  
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.

1       Salaries, Office of Chief of Naval Operations:

2               Fiscal year 1944, \$787.

3               Fiscal year 1945, \$731.

4       Salaries, Board of Inspection and Survey, Navy Depart-  
5   ment:

6               Fiscal year 1944, \$3,452.

7               Fiscal year 1945, \$2,893.

8       Salaries, Office of Director of Naval Communications:

9               Fiscal year 1944, \$125.

10              Fiscal year 1945, \$18,647.

11       Salaries, Office of Naval Intelligence:

12              Fiscal year 1944, \$2,932.

13              Fiscal year 1945, \$923.

14       Salaries, Hydrographic Office:

15              Fiscal year 1944, \$176,696.

16              Fiscal year 1945, \$16,357.

17       Salaries, Naval Observatory:

18              Fiscal year 1944, \$38.

19              Fiscal year 1945, \$1,117.

20       Salaries, Bureau of Ships:

21              Fiscal year 1944, \$2.

22       Salaries, Bureau of Ordnance:

23              Fiscal year 1944, \$322.

24              Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.



1           Fiscal year 1945, \$94,942.

2           Fiscal year 1946, \$413,000.

3           Contingent and miscellaneous expenses, Naval Ob-  
4 servatory:

5           Fiscal year 1944, \$572.

6           Fiscal year 1945, \$40.

7                           GENERAL PROVISIONS

8           Provisions of law prohibiting the payment of compen-  
9 sation to any person not a citizen of the United States shall  
10 not apply to personnel under the Naval Establishment dur-  
11 ing the fiscal year ending June 30, 1946.

12          Notwithstanding the provisions of section 10 of the  
13 Pay Readjustment Act of 1942 (56 Stat. 364), the Secre-  
14 tary of the Navy is authorized and directed to issue in kind  
15 one dress blue uniform and overcoat to each enlisted man  
16 in the naval service upon his return to the United States  
17 from sea and foreign shore duty for separation from the  
18 naval service upon the sworn statement of such enlisted  
19 man that these articles of clothing are not now in his pos-  
20 session by reason of compliance with orders of higher naval  
21 authority or other exigencies of the service beyond his con-  
22 trol and that no claim for reimbursement will be filed for  
23 the value of such articles so replaced: *Provided*, That the  
24 value of such articles of clothing shall be charged to the

1 clothing and small-stores fund. The authority contained  
2 herein shall terminate on September 30, 1946.

3 Personnel of the Naval Reserve, not qualified for sea  
4 duty, will, upon their application, be placed on inactive  
5 duty if surplus to requirements.

6 The dependents and household effects of such civilian  
7 and naval personnel of the Naval Establishment (without  
8 regard to rank or grade) on duty at locations outside the  
9 continental limits of the United States, or in Alaska, as  
10 may be determined upon by the Secretary of the Navy,  
11 may prior or subsequent to the issuance of orders for the  
12 relief of such personnel from their stations, or subsequent  
13 to the discharge or release of such personnel from active  
14 service, be moved (including packing and unpacking of  
15 household effects) from such locations outside the conti-  
16 nental limits of the United States, or in Alaska, to such  
17 locations as may be designated by such personnel, or de-  
18 pendants concerned, by the use of either Government or  
19 commercial means of transportation, and later from such  
20 locations to the duty station to which such personnel may  
21 be ordered, and current appropriations of the Navy Establish-  
22 ment available for travel and transportation may be used  
23 for this purpose. In lieu of the transportation in kind  
24 authorized for dependents, the Secretary of the Navy may

1 authorize the payment in money of amounts equal to the  
2 commercial transportation costs (including taxes if paid),  
3 for the whole or such part of the travel for which trans-  
4 portation in kind is not furnished when such travel shall  
5 have been completed.

6 In all, title III, \$14,370,159,964.

7 GENERAL PROVISION

8 The officer and enlisted personnel strengths of the Army,  
9 Navy, Marine Corps, and Coast Guard shall be demobilized  
10 at a rate not less than would be necessary to keep within the  
11 amounts available for their pay in consequence of the pro-  
12 visions of this Act, unless the President otherwise shall direct.

13 Effective December 1, 1945, no military or naval per-  
14 sonnel shall receive during the remainder of the current fiscal  
15 year aviation pay unless the person affected is assigned to  
16 duty on air activities prescribed by the Secretary of War  
17 or the Secretary of the Navy as requiring regular and fre-  
18 quent participation in aerial flights, or is required to partici-  
19 pate regularly and frequently in aerial flights in order to  
20 continue his fitness for his primary technical skill: *Provided*,  
21 That in addition, on or before January 1, annually, the  
22 Secretaries of War and Navy, respectively, shall certify to  
23 the Congress by rank and age group the number of such  
24 officers above the rank of major of the Army or lieutenant  
25 commander of the Navy, with the average monthly flight



1 pay authorized by law to be paid to such officers during  
2 the six-month period preceding the date of the report: *Pro-*  
3 *vided further*; That the Secretary of War and the Secretary  
4 of the Navy shall on or before ~~January 3~~ *February 28*, 1946,  
5 submit to the Congress a joint recommendation for revision of  
6 the Pay Readjustment Act of 1942, as amended, including  
7 but not restricted to recommendations with respect to in-  
8 creases authorized for flying pay, parachute pay, glider pay,  
9 submarine pay, and similar special pay and allowances.

10 SEC. 301. This Act may be cited as the "First Supple-  
11 mental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives January 30, 1946.

Attest:

SOUTH TRIMBLE,

*Clerk.*

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[Report No. 919]

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## **AN ACT**

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

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JANUARY 31 (legislative day, JANUARY 18), 1946  
Read twice and referred to the Committee on  
Appropriations

FEBRUARY 4 (legislative day, JANUARY 18), 1946  
Reported with an amendment







OFFICE OF BUDGET AND FINANCE  
Legislative Reports and Service Section

79th-2nd, Nos. 20 & 21

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued February 11, 1946, for actions of Fri., Feb. 8, 1946, and Sat., Feb. 9, 1946)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed appropriation-rescissions bill (same as vetoed bill so far as USDA is concerned). Senate passed bill increasing penalties for over-quota tobacco and authorizing reduction in tobacco quotas. Senate agreed to full-employment bill conference report. Resn. Rees and Carlson discussed President's wheat conservation order, stating that it has not had sufficient study and people should have been informed earlier. Rep. Hoffman urged that more fertilizer be made available for farmers.

SENATE - February 8

1. APPROPRIATION-RESCISSIONS BILL. Passed as reported this bill, H.R. 5158 (p. 1181). (This bill is same as vetoed bill so far as this Department is concerned.)
2. A.A.A; TOBACCO. Passed without amendment H.R. 5135, to amend the AAA Act so as to increase penalties for over-quota tobacco and to authorize the Secretary to reduce tobacco quotas (pp. 1172-3). This bill will now be sent to the President.
3. FULL-EMPLOYMENT BILL. Agreed to the conference report on this bill, S. 380, to declare a national policy on employment, production, and purchasing power (pp. 1162-72). This bill will now be sent to the President.
4. FORESTRY; INSECT CONTROL. Received from this Department proposed legislation to provide for the protection of forests against destructive insects and diseases. To Agriculture and Forestry Committee. (p. 1145.)
5. F.E.P.C. Continued debate on S. 101, the FEPC bill (pp. 1147, 1157-62, 1172-84, 1187).
6. INDEPENDENT OFFICES APPROPRIATION BILL. This bill, H.R. 5201, as reported by the Senate Committee (see Digest 19) increases the item for salaries and expenses



of the Budget Bureau by \$413,089 but eliminates the \$184,986 for maintenance and operation of the 4 existing field offices of the Budget Bureau and prohibits use of the Budget Bureau's appropriations for regional, field, or other outside offices.

7. WHEAT SUPPLY. Sens. Capper (Kans.), Langer (N.Dak.), and Wheeler (Mont.) inserted National Federation of Grain Cooperatives statements criticizing handling of the present wheat supply (pp. 1145-6).  
Sen. Wherry, Nebr., inserted Christine Sadler's Washington Post article, "Relief Wheat Commitment for Europe Actually Cut - Food Authorities Consider Return to Meat Rationing as Unnecessary" (pp. 1148-9).
8. FOREIGN RELIEF. Sen. Wherry, Nebr., inserted a Budapest article, "Hungary's Premier Appeals for Help in Feeding People" (p. 1149).
9. FOOD RATIONING. Sen. Wherry, Nebr., inserted an AP article quoting Alf M. Landon as stating that the President's informal food-rationing order is a direct result of the "cruel and inhuman Morgenthau plan for treatment of Germany" (p. 1149).
10. LUMBER EXPORTS. Sen. Knowland, Calif., criticized lumber exports in view of the need for veterans' housing (pp. 1186-7).
11. SURPLUS PROPERTY; VETERANS. Received a Veterans' Cooperative Housing Association resolution favoring S.J. Res. 132, to clarify the Surplus Property Act relative to the sale of defense housing to veterans (p. 1145).
12. NOMINATIONS. The Banking and Currency Committee reported favorably on the nomination of G.E. Allen to be a member of the RFC Board of Directors and confirmed the nomination of H.A. Mulligan to be a member of that board (pp. 1187, 1188).

SENATE - February 9

13. WHEAT-BREAD PROGRAM. Sen. Hatch, N.H., criticized a story that a high USDA official has objected to the recent bread order (pp. 1234-5).
14. F.E.P.C. Rejected, 48-36, a motion for cloture in connection with debate on S. 101, the FEPC bill (pp. 1221-46). The Senate then agreed, 71-12, to a motion by Sen. Chavez, N.Mex., to take up H.R. 5201, the independent offices appropriation bill (p. 1247).
15. ADJOURNED until Wed., Feb. 13 (p. 1248). Committees were authorized to submit reports during the recess (p. 1247).

HOUSE - February 8

16. WHEAT SITUATION. Reps. Roes and Carlson (Kans.) discussed the President's wheat conservation order, stating that it was issued without thorough study and the people should have been informed of the shortage sooner (pp. 1208-9).
17. FERTILIZER. Rep. Hoffman, Mich., urged that a greater supply of fertilizer be made available to the farmers and inserted a constituent's letter reporting cancellation of fertilizer orders (pp. 1209-10).
18. PERSONNEL; POLITICAL ACTIVITIES. Passed with amendments H.R. 1118, to amend the Hatch Political Activities Act by providing less severe penalties for violation (pp. 1203-6).



A great many States had adopted prohibition for themselves, and then there arose a clamor among enthusiasts that it should be put on States which did not want it. That view prevailed, and what was the result? Did that advance the cause of temperance? Did it advance the cause of effective prohibition? No; it did not. On the contrary, it broke down, weakened, and destroyed sentiment which had been built up by temperance advocates over a long period of years, because compulsion in a national way was put upon the States of this Nation.

Why should not the Senators from the North, from above the Mason and Dixon's line, proceed with their effort to get legislation in the various States where some relief is needed from unfair race practices? There is no use of legislation if there is not an evil, and if there is an evil, there is more chance of regulating it under the police power of the States than there is under the Federal Constitution. No one doubts the right of the States to regulate such an evil.

If there really is a desire to serve the cause of the colored people in the matter of employment, if there is a desire to promote them in the matter of social equality with the white people, or intermarriage, whatever anyone wants to do for them, let the States take such action as they may see fit. We are not interfering with that. But I submit, in the interest of fairness and justice, in the interest of the colored people, that we who have been here fighting this measure know them better than any of the Northern people know them or could possibly know them. We have been reared among them, our fathers were reared among them; we understand them. We are trying to help them. We have been helping them all the years since slavery was abolished.

I appeal to Senators. We know the proposed legislation will not pass this week, but some zealous for it may want to bring it up again, or something similar to it. I appeal to them to consider carefully whether a national program of this sort is better than individual State programs applied where conditions demand. If such measures cannot be passed in the States, then I submit the proponents of this measure are going beyond reasonable bounds in coming here and voting to put it on States other than their own States, if their own States do not want it, as shown by the action of their State legislatures.

#### FIRST SUPPLEMENTAL APPROPRIATION RESCISSION ACT, 1946

Mr. McKELLAR. Mr. President, it will be remembered that after the war closed the Appropriations Committees of the two Houses reported a bill for rescission of many of the appropriations which had been made by the Congress for carrying on the war. The appropriations amounted to over \$50,000,000,000.

The bill passed both Houses, but the President vetoed it because of one item concerning USES. The bill was not acted upon by the two Houses after that, until the House passed H. R. 5158. That bill came to the Senate and was referred to

the Committee on Appropriations, and on February 4 was reported favorably to the Senate by that committee.

The bill as recommended by the committee, with one exception, is precisely the same in form and content as the similarly entitled bill—H. R. 4407—as finally approved by the House and Senate and transmitted to the President, except that it excludes the provision contained in H. R. 4407 for the return to the States of the employment services which were loaned to the Federal Government at the beginning of 1942. The following is a summation of the rescissions provided for in the former and accompanying measures:

Executive departments and various independent agencies:	Amounts rescinded
Cash .....	\$2,945,503,585
Contractual authorization .....	929,961,208
Military Establishment:	
Cash .....	30,263,923,923
Naval Establishment:	
Cash .....	14,370,159,964
Contractual authorization .....	3,276,072,671
Corporate funds .....	1,190,500
Total .....	51,786,811,921

The earlier bill, as passed by the House, included provision for the States to resume control of their loaned employment services on the thirtieth day after the enactment of such bill. A more comprehensive provision was substituted by the Senate, and, as finally agreed to by the House and Senate, provided for the return of the employment services to the States on or before the one hundredth day after the enactment of the bill.

The President's objection to H. R. 4407 is because of his opposition to the provision contained therein for the return to the States of their loaned employment services at the height of the period of demobilization and reconversion. His position is made clear in his memorandum announcing that he had not approved the bill, issued on December 22, 1945, and which appears on pages 18 and 19 of the CONGRESSIONAL RECORD of January 14, 1946.

On January 29, 1946, the House of Representatives passed H. R. 4437 entitled "An act to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933, and for other purposes," and that bill is now pending in the Senate Committee on Education and Labor.

The bill as originally presented to the President and the pending bill carries a provision that the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Adjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances. Inasmuch as January 3 is long past and in order that the departments may have sufficient time in which to make their recommendations as contemplated by the provision referred to, the committee is amending the bill by striking out the date "January 3, 1946," and inserting in lieu thereof the date "February 28, 1946."

This is the only amendment recommended by the committee.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. This is what is known as the rescission bill is it not?

Mr. McKELLAR. Yes. What it proposes to do is merely to cancel an enormous number of appropriations which are no longer necessary because the war has ended.

Mr. WHITE. I did not know the bill was to be taken up this afternoon and I have had no opportunity of consulting minority members of the committee. Let me ask specifically, is this arrangement satisfactory to the senior Senator from New Hampshire [Mr. BRIDGES], the ranking minority member of the Committee on Appropriations?

Mr. McKELLAR. It is.

Mr. WHITE. Then, I have no objection.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, which had been reported from the Committee on Appropriations with an amendment on page 39, line 4, after the word "before", to strike out "January 3" and to insert "February 28."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

Mr. CAPEHART. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the amendments proposed by me on January 25 to S. 101, the FEPC bill, be printed in the RECORD, and that that may be deemed to be in compliance with the cloture rule as to their presentation for proposing at a subsequent time.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Without objection, it is so ordered.

The amendments intended to be proposed by Mr. CAPEHART are as follows:

On page 12, line 13, strike out "(a)."

On page 12, beginning with line 23, strike out all down through line 10 on page 13.

On page 2, line 10, after "United States" strike out all down through the word "State" in line 12.

On page 1, line 6; page 3, line 1; and page 3, line 4, strike out the word "persons" in each case and insert in lieu thereof the word "citizens."



On page 2, line 16; page 2, line 18; page 2, line 21; page 3, line 9; page 3, line 11; and page 3, lines 19 and 20, strike out the word "person" in each case and insert in lieu thereof the word "citizen."

On page 2, line 17; page 2, line 19; page 2, line 23; page 3, line 9; page 3, line 12; and page 3, line 15, strike out the word "person's" in each case and insert in lieu thereof the word "citizen's."

On page 3, line 14, after the word "any" insert the word "citizen."

On page 3, line 25; and page 4, line 9, strike out the word "six" in each case and insert in lieu thereof the word "fifty."

On page 13, line 16, strike out "\$5,000" and insert in lieu thereof "\$1,000."

On page 13, line 17, strike out "one year" and insert in lieu thereof "thirty days."

Mr. HATCH. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield to the Senator if by doing so I do not lose the floor.

Mr. HATCH. I have not heretofore participated in the debate on the pending bill except possibly to ask a question or two. I think, however, that my attitude toward the bill is quite generally known, as I have in no way attempted to conceal my views. I have said, Mr. President, that I cannot support or vote for Senate bill 101. More than that, I have said that I cannot support and will not support cloture. Some of my friends, both in and out of the Senate, have expressed some surprise at my attitude in this regard. Perhaps therefore I should make a brief explanation of why I assume this position. That I shall endeavor to do, and I shall be as brief as possible.

Mr. President, this measure in its opening paragraph recites:

That the Congress finds—

This is a finding of fact made by the Congress of the United States that conditions in this country are such—

that the practice of denying employment opportunities to, and discriminating in employment against, properly qualified persons by reason of their race, creed, color, national origin, or ancestry, foments domestic strife and unrest, deprives the United States of the fullest utilization of its capacities for production, endangers the national security and the general welfare, and adversely affects commerce.

Mr. President, if Congress should pass this proposed legislation in its present form it would adopt the language I have just read as an absolute finding of fact as to the actual conditions which exist in the United States today. If I had no other reason in the world for opposing the bill than that I would vote against it, because I believe such a finding of fact would be false. It is plain, Mr. President, why that finding is set forth in the bill. It is an attempt to justify the exercise by the Federal Congress of the power to enact such legislation by giving color of compliance with the Constitution of the United States. I do not know whether from a legal standpoint, it could have that effect or not, but I know, even if such attempt is made to make the bill constitutional, that no law can justly rest upon a false foundation.

I sat on the bench at one time during my career. I heard many cases without the aid of a jury, and I necessarily made findings of fact and conclusions of

law, and in nearly every case the conclusions of law had to be based upon the facts which were found. I am not speaking of myself now as a judge, but I know of no judge in the United States, either State or Federal, who would willfully and deliberately make a false finding of fact in order to render the kind of legal judgment he wanted to make. I do not at all challenge the motives of those who sponsor this legislation; I do not question their sincerity and good intentions, but as I read this measure and as I view conditions in the United States, if I voted for the bill and made that finding of fact I would be in exactly the same position as a judge on the bench who deliberately made a false finding of fact in order that he might sustain a legal judgment he wanted to make. That Mr. President, of course, I cannot do.

The paragraph refers to discriminations because of race, creed, national origin, and ancestry, placing, perhaps, on the same basis with the color line, which has been mentioned, the question of religious freedom in this country. Mr. President, I do not know of any place in the United States where a man is denied a chance to work on account of any particular creed to which he may adhere. There was a time when the differences between our religious denominations were such that there may have been discriminations of this kind, and perhaps they exist in some degree in some places today. I do not know. But I know that in the process of the years we have decidedly gotten away from those differences of religion, until, I think, today in America it can be said that we truly have religious freedom, and men are not discriminated against because of their religious views. I would regret deeply to insert in a bill of this kind the statement that in my country differences of religion are such that the welfare of America is jeopardized and the commerce of the Nation is interfered with because men by reason of their religious beliefs cannot secure employment. I simply do not believe that to be true.

It may be that in some sections of the country there is discrimination on the ground of nationality, other than the question of race. If that be true, it is to be deeply regretted. I would do anything I could to remove any such discriminations which might exist. As I shall presently say with respect to the colored race, I believe that when we attempt to force by law tolerance, respect, mutual good will, and such things, we are only aggravating the conditions which we seek to improve. I am eliminating from this consideration of the bill all those things relating to religion, to creed, to ancestry, and to national origin—everything except the question which I consider to be paramount, and that is so-called discrimination in America against the black man.

Mr. President, I am not begging the question. I concede that in this country there is discrimination against the black man. But in making that statement I do not confine it to the South. Discrimination against the colored man can be found in the North. It can be found to some extent in every section in America

where the colored man lives, in every State in the Union.

But, Mr. President, even though I agree that such discrimination exists—and I do admit it, and regret it—I cannot agree that it can be cured by an act of Congress. I agree that the opportunities to work are limited for the colored man. I know that there are many places where he cannot secure a job simply because he is a black man. I say that that is a tragedy. It represents a failure of the white man, and to some extent a failure of the black man. But I repeat that it is not a thing that we can cure by law. Equality of opportunity to work, economic equality—yes, political equality—cannot be forced by law.

Perhaps some may be startled when I say that political equality is not enforced by law in America. We come nearer to it than any other nation in the world, but true political equality does not exist in America. Again, that condition is not confined to the South. The lack of political equality exists today in the North, in the East, and in the West. If we are to be truthful and candid we must admit that to be true. Yet we fought a bloody civil war in this country; we amended the Constitution of the United States; we had the emancipation proclamation; and statute after statute was enacted by Congress in an effort to confer political equality. Senators know, and I know, that those attempts have not been altogether successful.

I am not discouraged, although nearly 75 years have passed and that goal has not yet been attained. I believe that eventually, by using wisdom and understanding on both sides, we may approach nearer to true political equality. I mention that only to say this: After all the trials and tribulations, the bloodshed, the laws, and the constitutional amendments, when nearly 75 years have passed and political equality does not truly exist, how can Senators deceive themselves into thinking that by enacting an unconstitutional law we can create economic equality? It may be all right for Senators to deceive themselves if they desire to do so. It may be all right to enact a law declaring that certain conditions exist, and setting up the machinery which the bill would establish, in an effort to force upon American citizens a system of which they do not approve and for which they will not stand, by a law which they will not obey, in the belief that we are helping the situation. If Senators wish to deceive themselves by doing so, let them pass this type of bill. But I for one will not deceive myself, or the people whom I represent, by saying that this bill will do that which I know it will not do.

Mr. President, I have stated that in my opinion the bill is unconstitutional. I think it is. I shall not take the time today to discuss the constitutional phases of the bill; but I wish to say that, in addition to violating some of the fundamental principles of the Constitution itself, I feel that this measure will, if it ever becomes a law, transgress and invade the most sacred American principles contained in the Bill of Rights. I do not believe that we can create freedom of equality or opportunity in one







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued February 13, 1946, for actions of Tuesday, February 12, 1946)

(For staff of the Department only)

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HIGHLIGHTS. House agreed to Senate amendment to appropriation-rescissions bill (same as vetoed bill so far as USDA is concerned). House committee reported urgent deficiency (items for OPA, ODT, and CPA) and Treasury-Post Office appropriation bills.

HOUSE

1. APPROPRIATION-RESCISSIONS BILL. Agreed to Senate amendment to this bill, H. R. 5158 (p. 1269), which is the same as the vetoed bill so far as this Department is concerned. This bill will now be sent to the President.
2. TREASURY-POST OFFICE APPROPRIATION BILL, 1947. The Appropriations Committee reported this bill H.R. 5452 (H.Rept. 1554) pp. 1261, 1263, 1278). This bill includes provisions as follows:
  - Appropriates funds for the Treasury and Post Office Departments.
  - Provides for transfer of funds from various USDA agencies for expenses of disbursing funds, clearing checks, servicing bonds, handling collections and rendering accounts.
  - Continues availability of balances for refunds and payments of processing and related taxes.
  - Under Procurement Division: Requires transfers of funds from other agencies to this Division in connection with transfers of functions to the Division. Provides the method of payments to the general supply fund. Authorizes field settlement for stock issue by warehouses and purchase of printing and binding from GPO for field-warehouse stocking and issue. Permits the Division to repair Government typewriters at cost. Limits the amounts which may be paid for typewriters.
  - Provides for transfers from the Post Office Department to other Government agencies for chemical investigations, etc.
  - Permits the Post Office Department to manufacture small quantities of distinctive equipments required by other Departments.



Provides for joint telephone switchboard service in post-office buildings serving two or more Government agencies.

(The above provisions were carried in the 1946 Act.)

Excerpts from the committee report:

Penalty Mail Act: "The committee has found it extremely difficult to judge accurately the amounts which should be appropriated for the cost of handling mail under this Act. The act covers all types of mail whether it be the distribution of documents and other informational material or regular business correspondence. This latter item is the largest part of the mail of many agencies - such as the Bureau of Internal Revenue - and it is almost impossible to forecast the volume of such mail. The committee is in full accord with the objectives of the Penalty Mail Act, i.e., the reduction in volume of mail dispatched by Government agencies and the attendant cost, and has studiously endeavored to ascertain whether the act can be said to have achieved such results. Officials of the Post Office Department have indicated that it is their belief that the act has resulted in a reduction of 287,000,000 in the number of pieces of mail handled for the fiscal year 1945 as compared with the volume for 1944 with a resultant reduction of \$4,300,000 in the cost of handling.

"The reduction of 287,000,000 in the number of pieces and of \$4,300,000 in the estimated cost of handling penalty mail as reported by the Post Office Department and the assumption that such reduction is attributable to the Penalty Mail Act are not necessarily substantiated for the following reasons:

"1. The estimated reduction in cost is based on total mailings, which include the mailings of the War Department, Navy Department, and Post Office Department, none of which is under the provisions of the penalty-mail law. The mailings of these exempt agencies approximate 40 percent of the total.

"2. Furthermore, the figures for 1945 for those agencies covered by the penalty-mail law (Public Law 364) are on a basis different from that for 1944 in that the 1945 figures are those furnished to the Post Office Department by the agencies based upon inventories and procurements during the year; whereas, the 1944 figure is that obtained through the cost-ascertainment procedure of the Post Office Department. Had the cost-ascertainment figures for both years been used, the reduction in the estimated cost would have been only \$2,277,494.25 for 151,832,950 pieces.

"Other agencies of the Government which have been contacted by the committee have stated that there is no relation between the reduction in volume of their mail and the provisions of Public Law 364. Wherever reductions have occurred they are explained by circumstances entirely aside from the Penalty Mail Act.

"It is of interest to note, in the table submitted by the Post Office Department comparing the mailings for the first quarter of the fiscal year 1946 with the first quarter of the fiscal year 1945 that there has been a decrease in mailings by those agencies exempt from the penalty-mail law and an increase in mailings by those agencies covered by Public Law 364.

"The so-called reduction in cost is only a theoretical saving. While the officials of the Post Office Department contend that there has been a reduction, they are unable to translate such reduction into an outright savings which can be reflected in a reduction of the amounts appropriated for the postal service.

"There is also to be considered the amount which it costs each agency of the Government to maintain the records, make reports, and do all the other necessary work connected with administering the act, said to total nearly \$500,000 in the case of the Department of Agriculture alone. No additional personnel has been provided for the purpose but it has been necessary to divert personnel from other needed activity to these tasks.



## RESCISSION OF APPROPRIATIONS

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. CANNON.]

Mr. CANNON of Missouri. Mr. Speaker, by direction of the Committee on Appropriations, I call up from the Speaker's table the bill H. R. 5158, an act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, with a Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 39, line 4, strike out "January 3" and insert "February 28."

Mr. CANNON of Missouri. Mr. Speaker, as will be noted, the Senate amendment relates to a minor matter in that it merely changes a date in the bill, a change made necessary by the passage of time.

The date amended pertains to a provision which originated in the Senate, and deals with an amendment under which the Secretary of War and the Secretary of the Navy were, on or before January 3, 1946, directed to submit to the Congress a joint recommendation for revision of the Pay and Adjustment Act of 1942. In view of the fact that the date, January 3, has passed, the Senate proposes to amend the date by making it February 28. This is the only change, Mr. Speaker, and I desire to move to agree in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, I can see no objection to this amendment to this bill, which we passed a couple of weeks ago.

The SPEAKER. Without objection, the Senate amendment is agreed to.

There was no objection.

A motion to reconsider was laid on the table.

## EXTENSION OF REMARKS

Mr. CANNON of Missouri. I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial written by Mr. Kenneth Romney, Sergeant at Arms of the House, 2 or 3 years ago, and applicable to present conditions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include a radio speech by Governor Tobin, of Massachusetts.

Mr. SMITH of Ohio asked and was given permission to revise and extend the remarks he made earlier today.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANSFIELD of Texas asked and was given permission to extend his re-

marks in the RECORD and include an article on the subject of stream pollution, which appeared in a recent issue of the Reader's Digest.

## CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, of this week, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## GENERAL KOSCIUSKO

Mrs. DOUGLAS of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. DOUGLAS of Illinois. Mr. Speaker, it is fitting today that General Kosciusko's name should be linked with that of Abraham Lincoln. These truly noble men, whose anniversaries lie so closely together, have more in common than is generally realized.

While everyone knows that General Kosciusko fought for freedom in both his native Poland and in America, the fact that he was a true liberal is not so clearly understood. General Kosciusko tried to abolish serfdom in Poland, to extend popular education, to provide fair opportunities for the common man. He was overcome in life in his struggle, but he died still fighting for these causes. In fact, on his death he freed his serfs, and left money for a school to educate them. He also left his mark on democracy in America, because the lands which a grateful country had given him in Ohio he had sold to establish the first school in America for Negroes. This showed his passionate belief in the worth and dignity of all mankind.

## ABRAHAM LINCOLN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, a number of Members have made reference to one of the greatest Americans of all time, Abraham Lincoln, and also to Thaddeus Kosciusko. All of their remarks are appropriate on this occasion. In connection with Gen. Thaddeus Kosciusko I shall include in the RECORD some remarks of my own.

At this time I want to make a few observations about Abraham Lincoln. Everything said about the great emancipator and preserver of our country is correct; but there is one outstanding impression that is indelibly engraved upon the minds of all persons and that is, that it was under the leadership of Abraham Lincoln that the Union was preserved. Without regard to where one's ancestors were in that conflict, whether on the side of the North or the South, both having

fought sincerely for a principle, we are all glad we have one united Nation today.

The significant contribution of Lincoln was that he saved our country because if the outcome of that War Between the States had not been as it was, we would not only have lost the war but we would have lost our country as well.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

## EXTENSION OF REMARKS

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include a speech he made before a four-State conference on flood control and navigation at Shreveport, La.

Mr. WOODRUFF asked and was given permission to extend his remarks in the Appendix of the RECORD.

## DEFICIENCY APPROPRIATIONS

Mr. CANNON of Missouri, from the Committee on Appropriations reported the bill (H. R. 5458) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes (Rept. No. 1556), which was read a first and second time, and with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

## SPECIAL ORDERS

The SPEAKER. Under previous order of the House the gentleman from California [Mr. MILLER] is recognized for 20 minutes.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

## THE CENTRAL VALLEY PROJECT MUST HAVE PUBLICLY OWNED TRANSMISSION LINES

Mr. MILLER of California. Mr. Speaker, I beg leave of the House to speak today of my district and the large area surrounding my district as a "depressed area," which, in fact, it is from the standpoint of the Pacific coast hydroelectric power situation. In relation to the industrial West, which is coming into being, my area will surely assume other familiar attributes of the "depressed area" if the power situation there is to remain as it is today. For that reason and for the significance of this accumulating depression to the rest of the Nation, I wish today to make a few remarks about the power situation in the great Central Valley of California.

The Congress is facing a decision on a matter so basically simple that one can only marvel at the welter of figures, claims, and counterclaims which has been raised to assist you gentlemen in deciding.

To the north of the Central Valley of California, which is my area, and to the south of the Central Valley, the Pacific coast is a region of federally generated, federally supplied, and publicly distributed low-cost hydroelectric power. But between these two great regions, between



the Pacific Northwest and southern California, lies the Central Valley and the San Francisco Bay region of California, where the high rates, the low per capita use, and the throttling of industrialization by the private-power monopoly still prevail.

This fact is a mockery of the action of this Congress in providing funds for the construction of the great Shasta Dam and its Keswick afterbay, which shortly will be generating to their full capacity of 450,000 kilowatts of hydroelectric power. It is a mockery of the prescriptive legislation for distribution of that Federal power under which such funds were voted by the Congress and which stipulate that public agencies benefit from the development. It is further a mockery of the excellent 15-year program for the development of multiple-purpose dams in the Central Valley outlined by the Bureau of Reclamation, which will make 915,000 kilowatts of power capacity available to this area by 1960.

We have, you see, the basis in resources for a large development; we have begun the development. But we must remain a shrunken pocket of private monopoly along the expanding Pacific coast until this publicly generated electricity is made available to the public on public transmission lines.

Three major transmission lines at least are going to have to be constructed down the Sacramento Valley—two down the west side, one down the east. Additional lower-voltage lines are needed. The simple question is: Who will build them? To me, and to the public-minded people of my area, the answer is just as simple. The Government must build them. To the Pacific Gas & Electric Co. the answer is also simple. That company has already begun to construct one of these west-side lines.

The Congress in December of 1945 voted funds for the east-side line to be built by the Bureau of Reclamation. The other two must be constructed by that same agency; they quite simply must be a project of the Bureau of Reclamation, or my district and the whole area of which my district is a part must remain the "depressed area" of the Pacific coast with respect to power rates and usage and a region of lost opportunity to the Nation.

We have mineral resources the Nation needs. We have taken in—but not yet assimilated—a great number of the workmen who left the Dakotas, Nebraska, Montana, and the others, and shifted to the Coast's war plants. It is apparent that many of them wish to stay; and we should all be concerned that they stay not as a liability upon society but as gainfully employed members of a productive society. We have the resources, we have the manpower. We lack the third element—the industry which can put these two to work, for the Nation's benefit. The industry goes to the north of us; it goes to the south. The industry which goes west, gentleman, goes to the west of low-cost power. It divides before us—to the north, to the south. We remain in our high-powered isolation.

The private utility company which serves us makes capital of the fact that our electric rates are less than the national average. But, gentlemen, is it fair to compare our rates with those of the coal-burning Middle West and East? Really low-cost power is one prime advantage our West, with its torrential rivers, should be able to offer as an inducement to industry. And I would point out that in this it offers little real competition to eastern and midwestern industry. Coal-burning industries will remain here, where they settled; we have no coal. But the new metallurgy and the new chemistry will inevitably move to the electrical West. What I am saying to you is that the Nation will lose the development of our northern California resources if the plants fail to locate there because to do so were economically infeasible.

As I say, the P. G. & E. has again and again stated that its territory is blessed with low power rates. I should like to explode that assertion once and for all. The fact, is power under the P. G. & E. is neither cheap nor abundant in northern California. According to reports of the Edison Electric Institute, the California residential electric consumption in 1944 averaged 1,153 kilowatt-hours at a cost of 3.07 cents per kilowatt-hour. This compares to an average residential consumption in the State of Washington of 2,530 kilowatt-hours at 1.68 cents and in the State of Oregon to 2,378 kilowatt-hours at 1.86 cents.

In the Pacific Northwest, meanwhile, new plants are under study for production of cellulose and rayon products, chemicals, plastics, phosphates, and electric metallurgical products, while war-time plants which plan to continue operations include five aluminum pig plants, one aluminum rolling mill, three shipyards, three carbide and alloy plants, three chemical plants, one manganese operation, and one metallurgic company.

But the rich hills which surround our Central Valley will hold their ores for lack of a hand to move them, and our chemical processing must be shipped out—unless we can establish the kind of western economy which is building an asset to the Nation in the Northwest.

The importance of a sound power-marketing program for California and the need for a full understanding of it are apparent in the light of these present-day events. Of major significance is the tremendous increase in California's population, from approximately 6,900,000 in 1940 to an estimated 9,000,000 in 1945, and an estimated increase to 12,000,000 by 1960. Certainly these population figures alone must bring home the fact that realism must govern thinking as to the part the marketing of power will play in attaining the full development of our water resources to meet the critical conditions ahead.

Marketing of power developed by the Federal Government in a manner most beneficial to the people, the community, and the State has involved serious clashes of philosophies. For the mandates of the Congress it is only necessary to quote the pronouncement contained in the Flood Control Act of 1944. This provides that surplus power generated at reservoir

projects shall be disposed of by the Secretary of the Interior "in such a manner as to encourage the most widespread use at the lowest possible rates to consumers consistent with sound business principles."

Low-cost power for the Central Valley will beget, as it has for the Pacific Northwest, high consumption and increased power revenues. It will provide a maximum of financial assistance toward low-cost irrigation in this area where two-thirds of the irrigation is by pumping water from underground. The opposing philosophy of high prices and low consumption is a threat to the development of the Central Valley project. Equally threatening is the argument that the marketing field has been preempted and none should trespass. The Bureau of Reclamation's right to sell Central Valley project power has been determined by the Congress. Both private utilities and public agencies may buy this power with preference to the latter. Implication that any private utility company cannot continue to buy and resell Federal power because the transmission lines are Government-owned is not correct.

The Bureau of Reclamation takes the position that the project requires large quantities of power to operate the irrigation pumps and that transmission lines from the power plants at Shasta and Keswick to the pumping plants near Tracy are an indispensable part of the project and should be built and operated by the Government. Once these lines are provided, the surplus power which is available on them should be delivered at wholesale to the project's legal market which is municipalities, public bodies, co-operatives, and privately owned power companies, with preference in the right to purchase in the order named but without special preference as to price. This is the only practical method of complying with the preferences which the Congress has given, since the Pacific Gas & Electric Co., which owns all existing transmission lines and desires to build all such facilities in the future, will not agree to the use of its lines by the Government for this purpose at a reasonable cost. The existing transmission plant of the company is loaded practically to capacity now so that the construction of the proposed Government system, which is dependent upon the growth of power use in the territory for most of its load, will not be a duplication except to the extent to which present customers of the company may transfer their existing loads to the Government.

The Government should not be in the position of having but one customer for its power nor dependent entirely upon the provisions of one contract and the good will of that one customer. The Government should dispose of its power to numerous customers, including the company, with such individual contract provisions as would be most appropriate to protect the interests of the Government and satisfy the requirements of each of these customers. In other words, the Government should have the advantage of a diversified market.

The Congress has voted funds to construct one 230-kilovolt line down the Sacramento Valley. This line will fur-







[PUBLIC LAW 301—79TH CONGRESS]

[CHAPTER 30—2D SESSION]

[H. R. 5158]

AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unreverted appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT,  
INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

Foreign Economic Administration:

Salaries and expenses, \$3,884,400, and limitations under this head are hereby decreased as follows: (1) Travel within continental United States from "\$234,000" to "\$180,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$47,500", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000".

Penalty mail costs, \$12,440.

National War Labor Board:

Salaries and expenses, \$1,566,500.

Office of Defense Transportation:

Salaries and expenses, \$3,075,000, and limitations under this head are hereby decreased as follows: (1) Traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from "\$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000".

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

**Office of War Information:**

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500".

**War Manpower Commission:**

General administration, \$71,194.

Apprentice training service (national defense), \$131,500, and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense), \$125,000, and the balance to remain available until December 31, 1945.

Migration of workers, \$479,000.

**War Production Board:**

Salaries and expenses, \$10,000,000, and limitations under this head are hereby decreased as follows: (1) Travel expenses from "\$1,944,000" to "\$954,000", (2) penalty mail costs from "\$210,000" to "\$105,000", (3) printing and binding from "\$648,000" to "\$346,000", and (4) salary of the head of the agency from "\$15,000" to "\$12,000", except that so long as the position is held by the present incumbent the salary shall remain at \$15,000.

**War Shipping Administration:**

Revolving fund, \$195,452,000.

Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund, \$91,000,000.

**Office of Censorship:** Salaries and expenses, \$8,200,000.

**Office of Price Administration:**

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000".

**Office of Strategic Services:**

Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000".

**Petroleum Administration for War:**

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

**In all, Office for Emergency Management, \$440,794,164.**



## EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, \$45,000,000.

Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts, and materials, \$57,990,000.

(2) Aircraft and aeronautical material, \$85,705,000.

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories, \$24,461,000.

(4) Vessels, ships, boats, and other watercraft, \$76,080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning, or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States, \$73,266,000.

(7d) For necessary services and expenses for carrying out the purposes of such Act not specified or included in the foregoing, \$43,943,000.

In all, emergency funds appropriated to the President, \$1,784,561,000.

## INDEPENDENT OFFICES

Civil Service Commission: Salaries and expenses, Civil Service Commission (national defense), \$2,032,000.

Employees' Compensation Commission: Employees' compensation fund, \$1,761,644.

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000.

Federal Power Commission: National defense activities, \$17,628.

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics, \$2,000,000.

Selective Service System: Salaries and expenses, \$2,957,500.

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$496,500,000.

## FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322".

#### FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

#### NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this Act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.

"(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: *Provided*, That all moneys in said account shall be covered into miscellaneous receipts not later than two years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist."

In all, independent offices, \$666,040,849.

## EXECUTIVE DEPARTMENTS

## [Non-War]

## DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

Agricultural Research Administration:

Bureau of Animal Industry, salaries and expenses (meat inspection);

Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops);

Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine).

Forest Service:

Salaries and expenses (national forest protection and management);

Forest-fire cooperation.

## DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

## DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000.



War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War:

Salaries and expenses, \$275,000, and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000".

#### Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

#### GOVERNMENT IN THE TERRITORIES

Emergency fund, Territories and island possessions (national defense), \$332,000.

#### DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$1,240,000.

#### DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

#### WAR DEPARTMENT

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, \$54,107,572.

In all, title I, \$2,945,503,585.

## Miscellaneous Provisions, Title I

### REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

#### EXECUTIVE OFFICE OF THE PRESIDENT

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.

#### INDEPENDENT OFFICES

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$325,900,000.

#### FEDERAL WORKS AGENCY

Public Roads Administration:  
Strategic highway network, \$1,484,363.  
Access roads, \$2,576,845.

### REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

#### EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

War Shipping Administration:  
Revolving fund, \$4,312,000.  
Maritime training fund, \$519,357.

#### INDEPENDENT OFFICES

Smaller War Plants Corporation:  
Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

United States Maritime Commission:  
Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

### EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title.

#### Executive Office of the President:

Bureau of the Budget, national defense activities.

#### Independent Offices:

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

## Federal Security Agency:

## Office of the Administrator:

Salaries and expenses, Office of Community War Services;  
Expenses, temporary aid to enemy aliens and other  
restricted persons.

## Department of the Interior:

## Office of the Secretary:

Salaries and expenses, Division of Geography, Department  
of the Interior.

## CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

## EXECUTIVE OFFICE OF THE PRESIDENT

## Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office  
of Inter-American Affairs is hereby directed to deposit in the  
Treasury of the United States as miscellaneous receipts the fol-  
lowing sums representing excess funds of corporations created  
by the Coordinator of Inter-American Affairs under authority of  
law:

Institute of Inter-American Transportation, \$315,500.  
Prencinradio, Incorporated, \$875,000.

## GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of  
the Government created to perform functions in connection with the  
national security and defense, there may be transferred to such liqui-  
dating agency as the President may designate such amount from the  
funds of the agency to be liquidated as the Bureau of the Budget shall  
determine is necessary therefor.

## TITLE II—MILITARY ESTABLISHMENT

## Office of Secretary of War:

Contingencies of the Army, 1942-1946, \$12,829,151.

Expediting Production of Equipment and Supplies for  
National Defense, 1940-1946, \$282,892,000.

## General Staff Corps:

Contingent Fund, Chief of Staff, 1942-1946, \$124,335,489.

Special Field Exercises, Army, 1942-1946, \$51,246,874.

## Finance Department:

Finance Service, Army, 1942-1946, \$207,000, and subapprop-  
riations under this head are hereby decreased as follows:  
(1) Expenses of courts martial, \$36,000; and (2) Apprehension  
of deserters, \$171,000.

## Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, \$3,919,838,479, and  
subappropriations under this head are hereby decreased as  
follows: (1) Welfare of enlisted men, \$5,000,000; (2) subsistence  
of the Army, \$1,762,081,479; (3) regular supplies of the Army,  
\$541,018,000; (4) clothing and equipage, \$1,563,225,000;



(5) horses, draft and pack animals, \$1,514,000; and (6) Army transportation, \$47,000,000.

Transportation Corps:

Transportation Service, Army, 1945-1946, \$704,268,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$1,675,684,000.

Air Corps:

Air Corps, Army, 1942-1946, \$11,799,313,000: *Provided*, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Medical Department:

Medical and Hospital Department, Army, 1942-1946, \$267,539,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, \$2,306,763,000, and sub-appropriations under this head are hereby decreased as follows:

(1) Engineer Service, \$2,011,648,000; (2) Military posts, \$148,255,000; and (3) Barracks and quarters, Army, \$146,860,000.

Ordnance Department:

Ordnance Service and Supplies, Army, 1942-1946, \$8,100,000,000.

Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-1946, \$997,870,000.

Special Service Schools:

Special Service Schools, Army, 1942-1946, \$178,000, and sub-appropriations under this head are hereby decreased as follows:

(1) Infantry School, \$81,000; (2) Cavalry activities, \$22,700; and (3) Field Artillery activities, \$74,300.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$1,664,000.

United States Military Academy: Pay of Military Academy, 1942-1946, \$21,000.

Inter-American Relations, War Department: Inter-American Relations, War Department, 1943-1946, \$75,000.

Office of the Secretary:

Contingent expenses, War Department, 1942-1946, \$1,200,000.

Printing and binding, War Department, 1942-1946, \$18,000,000.

#### TRANSFER OF APPROPRIATIONS

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kansas, \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Illinois, \$5,719;

Instruction in armored force activities, \$389,756;

Maintenance and Operation, United States Military Academy, \$1,323,884;

Army of the Philippines, \$200,000,000: *Provided*, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: *Provided further*, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: *Provided further*, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.

#### GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

### TITLE III—NAVAL ESTABLISHMENT

#### Office of the Secretary:

##### Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

##### Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

##### Naval emergency fund:

Fiscal year 1945, \$25,477.

Fiscal year 1946, \$3,000,000.

Naval Research Laboratory:

Fiscal year 1944, \$5,185.

Fiscal year 1945, \$3,002.

Fiscal year 1946, \$90,000.

Operation and conservation of naval petroleum reserves:

Fiscal year 1944, \$6,986.

Fiscal year 1945, \$6,353.

Fiscal year 1946, \$18,000. °

Ocean and lake surveys, Navy:

Fiscal year 1944, \$6,677.

Fiscal year 1945, \$21,298.

Bureau of Naval Personnel:

Naval War College:

Fiscal year 1944, \$4,521.

Fiscal year 1945, \$2,886.

Naval Training Station, San Diego, California:

Fiscal year 1944, \$232,338.

Fiscal year 1945, \$327,515.

Naval Training Station, Newport, Rhode Island:

Fiscal year 1944, \$823.

Fiscal year 1945, \$256.

Naval Training Station, Great Lakes, Illinois:

Fiscal year 1944, \$459,244.

Fiscal year 1945, \$29,510.

Fiscal year 1946, \$700,000.

Naval Training Station, Norfolk, Virginia:

Fiscal year 1944, \$4,488.

Fiscal year 1945, \$14,879.

Naval Training Station, Lake Pend Oreille, Idaho:

Fiscal year 1944, \$54,790.

Fiscal year 1945, \$604,708.

Naval Training Station, Lake Seneca, New York:

Fiscal year 1944, \$38,894.

Fiscal year 1945, \$3,209.

Naval Training Station, Port Deposit, Maryland:

Fiscal year 1945, \$2,794.

Fiscal year 1946, \$500,000.

Fleet Training, Navy:

Fiscal year 1944, \$11,108.

Fiscal year 1945, \$164,695.

Fiscal year 1946, \$78,000.

Instruction, Navy:

Fiscal year 1944, \$2,151,364.

Fiscal year 1945, \$120,000.

Fiscal year 1946, \$6,000,000. °

Libraries, Navy:

Fiscal year 1944, \$145,920.

Fiscal year 1945, \$1,693.

Fiscal year 1946, \$1,252,935.

Welfare and Recreation, Navy:

Fiscal year 1944, \$903,681.

Fiscal year 1946, \$4,124,000.



## Naval Reserve Officers' Training Corps:

Fiscal year 1944, \$237,300.

Fiscal year 1945, \$88,337.

## Miscellaneous expenses, Bureau of Naval Personnel:

Fiscal year 1944, \$3,009.

Fiscal year 1945, \$124.

Fiscal year 1946, \$20,000.

## Naval Reserve:

Fiscal year 1944, \$54,961,800.

Fiscal year 1945, \$24,511,154.

Fiscal year 1946, \$38,262,000.

## Pay, Naval Academy:

Fiscal year 1944, \$88,394.

Fiscal year 1945, \$93,796.

## Maintenance, Naval Academy:

Fiscal year 1944, \$6,877.

Fiscal year 1945, \$2,529.

## Naval Home, Philadelphia, Pennsylvania:

Fiscal year 1944, \$610.

Fiscal year 1945, \$1,250.

## Naval Prison Farms and Prison Personnel:

Fiscal year 1944, \$10.

Fiscal year 1945, \$5,100.

## Bureau of Ships:

## Maintenance, Bureau of Ships:

Fiscal year 1942, \$43,907,135.

Fiscal year 1942-43, \$51,956,375.

Fiscal year 1943, \$64,050,351.

Fiscal year 1944, \$52,247,000.

Fiscal year 1945, \$118,474,000.

Fiscal year 1946, \$1,468,000,000.

Defense installations on merchant vessels, Navy, \$13,658,123.

## Bureau of Ordnance:

## Ordnance and ordnance stores, Navy:

Fiscal year 1944, \$551,226,542.

Fiscal year 1945, \$1,208,752,767.

Fiscal year 1946, \$2,575,225,500.

## Bureau of Supplies and Accounts:

Pay, subsistence, and transportation, Navy, 1944, \$69,247,269.

Pay and subsistence of naval personnel, 1946, \$1,317,369,200.

Maintenance, Bureau of Supplies and Accounts, 1946, \$81,314,000.

Transportation of things, Navy, 1946, \$140,036,282.

Fuel, Navy, 1946, \$100,000,000.

## Bureau of Medicine and Surgery:

## Medical Department, Navy:

Fiscal year 1944, \$14,017,195.

Fiscal year 1945, \$12,238,592.

Fiscal year 1946, \$30,000,000.

## Bureau of Yards and Docks:

## Maintenance, Bureau of Yards and Docks:

Fiscal year 1944, \$2,431,496.

Fiscal year 1945, \$3,139,211.

Fiscal year 1946, \$5,000,000.

Public Works, Bureau of Yards and Docks, \$400,000,000, and the contract authorization for "Public Works, Bureau of Yards and Docks" available in the fiscal year 1946 is hereby reduced in the sum of \$1,248,510,540: *Provided*, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority: *Provided further*, That of this amount \$946,000,000 shall apply against advance base construction, material, and equipment: *Provided further*, That of the funds remaining available for advance base construction, material, and equipment, not to exceed \$6,000,000 shall be available toward reconstruction of the civilian economy of Guam.

Bureau of Aeronautics:

Aviation, Navy:

Fiscal year 1943, \$256,482,489.

Fiscal year 1943-44, \$193,929,557.

Fiscal year 1944, \$811,987,405.

Fiscal year 1945, \$1,468,753,102.

Fiscal year 1946, \$1,359,367,650, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$799,128,500" to "\$128,116,900", (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$168,808,200" to "\$44,934,000", and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$1,431,840,800" to "\$800,374,950"; the subappropriation "continuing experiments and development work, and so forth," is hereby increased from "\$81,272,500" to "\$148,256,500"; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

Marine Corps:

Pay, Marine Corps:

Fiscal year 1944, \$40,521,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

Pay of civil force, Office of Quartermaster General, Marine Corps:

Fiscal year 1944, \$844.

Fiscal year 1945, \$1,059.

General expenses, Marine Corps:

Fiscal year 1944, \$79,787,482.

Fiscal year 1945, \$56,737,554.

Fiscal year 1946, \$307,750,000.

Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$732,104,151.

Increase and replacement of naval vessels, armor, armament and ammunition, \$276,876,967.

Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of five advanced type combatant vessels and seventeen minor craft.

Repair facilities, Navy:

Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy", available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.

Coast Guard:

Salaries, Office of Commandant, United States Coast Guard:

Fiscal year 1944, \$219.

Fiscal year 1945, \$133,293.

Pay and allowances, Coast Guard:

Fiscal year 1944, \$35,006,326.

Fiscal year 1945, \$8,658,922.

Fiscal year 1946, \$80,000,000.

General expenses, Coast Guard:

Fiscal year 1944, \$631,865.

Fiscal year 1945, \$1,289,896.

Fiscal year 1946, \$20,000,000.

Civilian employees, Coast Guard:

Fiscal year 1944, \$109,654.

Fiscal year 1945, \$200,633.

Establishing and improving aids to navigation, Coast Guard, \$346,000.

Acquisition of vessels and shore facilities, Coast Guard, \$2,741,000.

Retired pay, former Lighthouse Service, Coast Guard:

Fiscal year 1944, \$73,320.

Fiscal year 1945, \$48,109.

Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$25,536.

Salaries and expenses, Merchant Marine Inspection, Coast Guard:

Fiscal year 1944, \$899,401.

Fiscal year 1945, \$373,270.

Emergency construction, vessels and shore facilities, Coast Guard (Navy), \$231,000.

Special projects, vessels, Coast Guard (Navy), \$127,000.

Special projects, aids to navigation, Lighthouse Service, Coast Guard (Navy), \$28,699.

Special projects, aids to navigation, Coast Guard (Navy), \$556,000.

NAVY DEPARTMENT

Salaries:

Salaries, Office of Secretary of the Navy:

Fiscal year 1944, \$78.

Fiscal year 1945, \$5,330.

Salaries, General Board, Navy Department:

Fiscal year 1944, \$3,826.

Fiscal year 1945, \$8,775.



Salaries, Naval Examining and Retiring Boards:

Fiscal year 1944, \$1,536.

Fiscal year 1945, \$5,662.

Salaries, Office of Naval Records and Library:

Fiscal year 1944, \$879.

Fiscal year 1945, \$7,035.

Salaries, Office of Judge Advocate General, Navy:

Fiscal year 1944, \$5,312.

Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.

Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Department:

Fiscal year 1944, \$3,452.

Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.

Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.

Fiscal year 1945, \$923.

Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.

Fiscal year 1945, \$16,357.

Salaries, Naval Observatory:

Fiscal year 1944, \$38.

Fiscal year 1945, \$1,117.

Salaries, Bureau of Ships:

Fiscal year 1944, \$2.

Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.

Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.

Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.

Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.

Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

Fiscal year 1945, \$94,942.

Fiscal year 1946, \$413,000.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.

Fiscal year 1945, \$40.

#### GENERAL PROVISIONS

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.

The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Navy Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.

In all, title III, \$14,370,159,964.

## GENERAL PROVISION

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this Act, unless the President otherwise shall direct.

Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial flights in order to continue his fitness for his primary technical skill: *Provided*, That in addition, on or before January 1, annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the six-month period preceding the date of the report: *Provided further*, That the Secretary of War and the Secretary of the Navy shall on or before February 28, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

SEC. 301. This Act may be cited as the "First Supplemental Surplus Appropriation Rescission Act, 1946".

Approved February 18, 1946.



